

**REGULAR MEETING
DESTIN CITY COUNCIL
MARCH 18, 2024
ANNEX COUNCIL CHAMBERS
6:00 PM**

*****Core Value of the Month - Respect*****

CALL TO ORDER

*** INVOCATION**

PLEDGE OF ALLEGIANCE

AGENDA APPROVAL *(Matters not specifically listed on the agenda may be added and acted upon with a super-majority vote of the Council members present and eligible to vote on the matter)*

1. PROCLAMATIONS / RECOGNITIONS / SPECIAL / **PUBLIC PRESENTATIONS / ANNOUNCEMENTS

- A. Proclamation - Government Finance Professional Week
- B. Joe's Bayou Presentation from FDEP

2. PUBLIC COMMENTS (Section 5 - Public Hearings has separate public comments time for these items) (Note: Individual speakers will be limited to 3 minutes. At the discretion of the mayor, this 3 minute allowance may be adjusted depending on the level of business coming before the City Council)

3. * CONSENT AGENDA**

- A. Declaration of City Property as Surplus (Vehicles, Equipment, and Other Miscellaneous Items)
- B. City of Destin Vulnerability Assessment - Dewberry Task Work Order Amendment
- C. Authorization to purchase four John Deere Gators for the Parks Department
- D. Destin Fire District-Beach Safety Contract 2024
- E. Approval of minutes of February 29, 2024 City Council Strategic Visioning Session

4. CITY MANAGER REPORTS

- A. Public parking support for Destin's 67th Annual Blessing of the Fleet and Community Fish Fry on Thursday, May 9, 2024
- B. Pickleball Courts - 60% Construction Documents
- C. FY 2023 Annual Audit and Financial Statements
- D. FY25 Budget Calendar
- E. Operations Financial Report - **Informational Only**
- F. Capital Project Status - **Informational Only**
- G. TDC Monthly Report - **Informational Only**
- H. Announcements
 - 1) Special Meeting to be held Monday, March 25, 2024, at 6pm for RFP 24-01-ENG Utility Underground Conversion

5. PUBLIC HEARINGS

6. COMMENTS / PRESENTATIONS FROM MAYOR, COUNCIL, AND CITY ATTORNEY

- A. Councilmember Stephens
- B. Councilmember Geile
 - 1) Projects Status/Updates
- C. Councilmember Destin
- D. Councilmember Bagby
 - 1) Letter of appreciation to the Northwest Florida Legislative Delegation
 - 2) Letter requesting the governor support funding items in the city budget
- E. Councilmember Hebert
- F. Councilmember King
- G. Councilmember Schmidt
- H. Mayor Wagner
- I. City Attorney

7. PUBLIC COMMENTS (Comments from the public on any matters considered at the meeting, or on any matters not on the agenda)

8. ADJOURN

* Any invocation that is offered before the official start of the City Council meeting shall be the voluntary offering of a private person, to and for the benefit of the City Council. The views or beliefs expressed by the invocation speaker have not been previously reviewed or approved by the City Council, or the City staff, and the City is not allowed by law to endorse the religious beliefs or views of this, or any other speaker. Persons in attendance at the City Council meeting are invited to stand during the opening invocation and Pledge of Allegiance. However, such invitation shall not be construed as a demand, order, or any other type of command. No person in attendance at the meeting shall be required to participate in any opening invocation that is offered. A person may exit the City Council Chambers and return upon completion of the opening invocation if a person does not wish to participate in or witness the opening invocation.

** To be placed on the agenda under public presentations, citizens must contact the City Manager or City Clerk's office one (1) week prior to the scheduled City Council Meeting, completing a Speakers Request Form and providing any accompanying documentation as requested in the form's instructions.

*** All items listed under Consent Agenda are considered to be routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items. If discussion is desired, that item will be removed from the Consent Agenda and may be considered separately.

If a person decides to appeal any decision made by the Council with respect to any matter considered at this meeting, he/she may need a record of the proceedings, and for such purpose, he/she may need to ensure that verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based. FS 286.0105.

Persons with disabilities who require assistance to participate in City meetings are requested to notify the City Clerk's Office at (850) 837-4242 in advance. Hearing Impaired: TTY: 711. Assistance also available through Human Resources, Title VI Coordinator, at (850) 837-4242. Personas con discapacidades que necesitan asistencia o personas que necesiten ayuda con un idioma para participar en las reuniones de la ciudad, deberán notificar la

oficina de la Secretaria Municipal al (850) 837-4242 antes de la reunión. Discapacidad auditiva: TTY: 711 (Solicitar Espanol CA). La ayuda tambien está disponible por Recursos Humanos, Coordinador del Título VI, al (850) 837-4242.

All regularly scheduled city council meetings will be streamed live via the city's YouTube channel, www.youtube.com/CityofDestin. Past council meetings can also be viewed here. Please visit our agenda center on the city website at www.cityofdestin.com/agendas.



City of Destin

Proclamation

Florida Government Finance Professionals Week

Whereas, the Florida Government Finance Officers Association (FGFOA) is a professional association founded in 1937 and serves more than 3,300 professionals from state, county and city governments, school districts, colleges and universities, special districts and private firms; and

Whereas, the FGFOA is dedicated to being your professional resource by providing opportunities through education, networking, leadership and information; and

Whereas, this Government Finance Professionals Week, sponsored by the FGFOA and all its member governmental organizations, is a weeklong series of activities aimed at recognizing government finance professionals and the vital services that they provide to our state and our community; and

Whereas, during this week, government finance professionals throughout the State of Florida will be acknowledged for their hard work, dedication, and leadership.

NOW THEREFORE, I, Bobby Wagner, as Mayor, and on behalf of the City Council, do hereby proclaim March 18-22, 2024, as **Government Finance Professionals Week in the City of Destin and extend our appreciation to all government finance professionals throughout the state and here in the City of Destin for their hard work, dedication, and leadership.**

**SO DONE THIS 18TH DAY OF MARCH 2024
BY:**

BOBBY WAGNER, MAYOR

CITY OF DESTIN



AGENDA ITEM

COUNCIL MEETING DATE: March 18, 2024**TYPE OF AGENDA ITEM:** Action Item**AGENDA OUTLINE NUMBER:** 1.B.

TO: City Council

THRU: Louis Zunguze, Interim City Manager
Kimberly Kopp, City Attorney

FROM: Ryan Scott, City Engineer
Krystal Strickland, Finance Director
Jeffrey Cozadd, Grants Manager
Lisa Firth, Parks & Rec Director

DATE: March 12, 2024

SUBJECT: Joe's Bayou Presentation from FDEP

I. BACKGROUND:

The Florida Department of Environmental Protection (FDEP) has been working on redesigning the Joe's Bayou Boat Ramp area and surrounding park. FDEP had previously presented the Joe's Bayou plans to the following:

30% Plan:

Parks and Recreation Committee January 24, 2023
Public Workshop February 23, 2024.

60% Plan:

Parks and Recreation Committee March 5, 2024

During the discussion of this item at the March 5, 2024, Parks and Recreation Committee meeting, a committee member had to leave the meeting, creating a lack of quorum. Therefore, an official motion could not be made after the presentation. However, the committee members in attendance had no issues with the plans and were satisfied with the direction that the project was heading.

II. DISCUSSION: Staff has worked with FDEP and provided comments to the current design and is in continual communication throughout the process so far and fully intends to keep reviewing and providing feedback to FDEP as the project progresses to 100% plans.

A. Link to Strategic Goals / Objectives:

- II. Enhanced quality of life and safety for families
- III. Economic development and revitalization

IV. Effect, efficient and aesthetically pleasing infrastructure

VI. A green and sustainable environment

B. Effect on Budget (EOB): Project fully funded with the Deep Horizon funds (BP Oil Spill via FDEP).

C. Level of Service (LOS):

Improved level of service to the Parks and Recreation system.

D. Legislative Sponsor:

III. CONCLUSION: FDEP and staff are asking for any questions, comments, and/or concerns the Council may have with the current design and progress for the project.

IV. RECOMMENDED MOTION:

I move to have the Council approve the current direction shown so far on the 60% Joe's Bayou Recreation Area Improvement Project plans and to have the City Manager work with FDEP and Staff to move this project to 90% plans.

ALTERNATIVE MOTION:

I move to have the Council approve the 60% Joe's Bayou Recreation Area Improvement Project plans with the following revisions (*insert list of revisions*) and to have the City Manager work with FDEP and staff to move this project to 90% plans.

Attachments:

1. Joe's Bayou 60% Presentation 3-18-2024



JOE'S BAYOU RECREATION AREA IMPROVEMENT PROJECT

Pearce Barrett P.E.

Division of Water Restoration Assistance/Deepwater Horizon Program
Florida Department of Environmental Protection

Location | March 18, 2024



60% DESIGN PRESENTATION TO DESTIN CITY COUNCIL

Joe's Bayou Recreation Area
Improvement Project



PRESENTATION AGENDA

- Topic One – Progress to Date
- Topic Two – Project Goals
- Topic Three – Recap of Comments from Previous Presentations
- Topic Four – Review of 60% Design Plans
- Topic Five – Next Steps
- Topic Six – Questions and Comments



PROGRESS TO DATE

- Desktop investigations (review of published data).
- Development of website to serve as platform for public outreach.
- Develop an online survey and analysis of the results.
- Surveys (boundary, topographic, bathymetric and natural resource).
- Initial geotechnical investigations.
- Assessments of existing conditions and facilities.
- Architectural master plan & Conceptual designs (30%).
- Pre-application permit meeting(s) with regulatory agencies (DEP, United States Army Corps of Engineers [USACOE]).
- Address and incorporate as appropriate comments from previous presentations.
- Finalize 60% design documents and begin permitting process.



PROJECT GOALS

- To develop and improve public access and recreational enhancement to the Joe's Bayou Recreation Area and Mattie Kelly Park and Nature Trail.
- These improvements are to include, as budget allows, the following:
 - Improve access to the existing boat ramp area and access piers.
 - Replace/improve the existing fishing pier.
 - Protect and increase access to the shoreline through the construction of a reef breakwater and removal of existing hard scape.
 - Rehabilitation and expansion of parking areas.
 - Improve the nature trails and viewing areas.
 - Wetland enhancement, pond restoration and improvements to stormwater management.
 - Lighting, landscaping, irrigation and park amenities (trash containers, benches and interpretive signage).



JOE'S BAYOU COMMENT TRACKING

Joe's Bayou Recreation Area Improvement Project Comment Response Tracking 2/13/2024				
Comment Number	City Staff	Comment	Resolution Status	Comment Response
August 20, 2021 Kickoff Meeting				
1	General	City requested multi-use trails.	Complete	Trails and boardwalks are included throughout the site.
2	Lance Johnson	Concerns raised about size of vessels increasing at the boat launch, and expressed desire to avoid parking along	Complete	Vessel sizes were considered as part of the Boat Ramp, Navigation, and Docking Planning Assessment. The parking areas are focused in the existing Joe's Bayou lot and the existing Mattie Kelly lot.
3	Joe Bodi	Confirm tree surveying and protection.	Complete	Team surveyed and shows all 12-inch diameter at breast height and larger trees on the plans to meet City planning requirements.
4	General	Confirmation that the most recent invasive removal / restoration activity was performed by Choctawhatchee Basin Alliance (CBA) in 2018.	Complete	Unknown, but superseded.
5	General	Speed tables were removed during resurfacing, will be reconstructed in coming weeks; will be placed in original location.	Complete	Proposed speed table is included in the 60% drawings.
6	General	Small craft boat ramps are inefficient; ramps should be accessible to sizes of anticipated vessels for efficiency and versatility.	Complete	Vessel sizes were considered as part of the Boat Ramp, Navigation, and Docking Planning Assessment.
7	General	Construction sequencing and timing should reduce impact to users.	Complete	Park and boat ramps will be closed during construction to minimize construction cost and schedule.
8	General	Sedimentation problem on northern ramps caused it to be used as small-craft ramp.	Complete	Dredging and maintenance requirements were considered as part of the Boat Ramp, Navigation, and Docking Planning Assessment.
9	General	Sandy shoreline north of ramps could be used for ramp expansion, or continued use as paddle-craft launching area.	Complete	The sandy shoreline is shown in the 60% design as an area for the ADA paddlecraft launch and protected shoreline access.
10	General	Exclude fish cleaning stations due to maintenance and environmental hazard; exclude flushing / wash stations.	Complete	A fish cleaning station will not be included as part of this work.
11	General	Boat ramp designed to be functional and not undermined under power loading scenario with large vessels.	Complete	Vessel sizes were considered as part of the Boat Ramp, Navigation, and Docking Planning Assessment. The final design will ensure vessels will not undermine the ramp area.
12	General	Lighting should remain similar to current conditions. Site lighting should be limited to use for safety.	Complete	The site lighting plan provided in the 60% plans shows the proposed lighting for Joe's Bayou that is similar to the existing lighting on site.
January 26, 2023 City Parks and Recreation Meeting				
13	General	It was unanimously agreed by all members and some of the City staff that they would like the existing Restroom Building to remain as it was felt that the new one (which they liked) was too far away from the boating area (ramps and mooring piers) to be convenient and if still functional why get rid of it?	Complete	Team members discussed several considerations of the existing restroom facility a. Taylor Engineering and Halff did a "walk-by" structural assessment of the restroom structure in 2020. i. Building is considered in "FAIR" structural condition. The timber access ramp is in "POOR" structural condition. Halff and Taylor recommend FDEP remove and replace the Boat Ramp Attendant Building considering the following: ii. The current structure does not meet flood zone code requirements. Raising the structure to meet code requirements will likely be cost prohibitive as there is little inherent value of the cinder block structure. iii. The structure does not likely meet current electrical, plumbing, and fire control code requirements. Further analysis of these requirements can be investigated should FDEP and City opt to raise or relocate the structure. iv. Locations of the existing building may limit design optimization for vehicle circulation and vessel accessibility. Similarly, restrooms central to the park area will likely provide better circulation routes and avoid conflicts between pedestrian and vehicular traffic at the boat ramp. v. If it is determined that the building will remain, detailed structural inspections and repairs should be performed. b. The existing building footprint (if to remain) will require alteration of the conceptual parking lot loading area. Offsets from structure will affect circulation pattern and likely reduce vehicle-trailer parking spaces. c. The aesthetics of the existing structure is comparable to the architectural facilities proposed on site.
14	General	They would like to see the new and improved "bump outs" proposed for the board walks be covered. Pergolas would be acceptable.	Complete	The 60% design plans show bumpouts and shade structures for proposed the proposed boardwalk and the Mattie Kelly Nature Walk Boardwalk.
15	General	We need to see if we can increase the vehicle/trailer parking. The loss of the number of spaces presented was felt to be too much.	Complete	Taylor Engineering and Halff assessed the City's available records for the periods April – October 2020 and March – July 2021 indicating daily boat ramp launches in 2020 and 2021 and developed a peak (maximum) usage of approximately 180 launches per peak day. The average rate is 60 launches/day in 2020 and 45 launches/day in 2021. Additional discussion is provided in the Park Use, Access, Facilities, and Pedestrian Circulation Planning Assessment. The facility is designed to maximize trailer parking within the limitations of site geometry and competing uses (e.g., stormwater, jurisdictional wetlands, shoreline position, passive recreation areas, etc.). The facility may meet maximum demand observed in 2021, but will be significantly overdesigned for the remaining days of the year (e.g., will exceed demand requirements). Additional discussion is provided in the Navigation Mooring and Boat Ramp Planning Assessment.



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JOES BAYOU RECREATION AREA
IMPROVEMENT PROJECT
CITY OF DESTIN, FLORIDA

PREPARED FOR:



DEEPWATER HORIZON PROGRAM
DIVISION OF WATER RESTORATION ASSISTANCE
FDEP CONTRACT NO. DH015

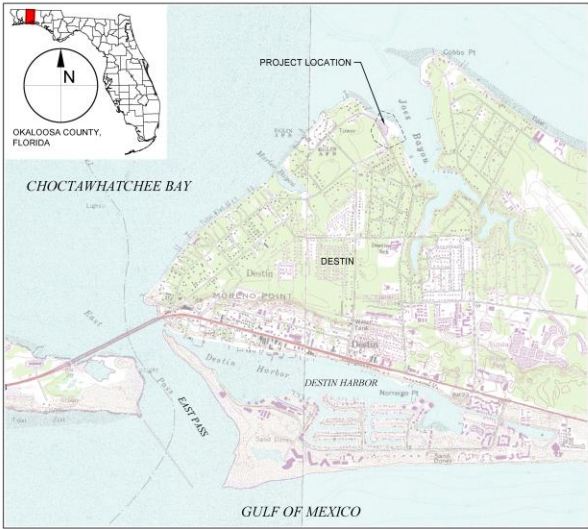
CONTRACT MANAGER
PEARCE L. BARRETT III, P.E., F.C.C.M.
DEEPWATER HORIZON PROGRAM DIVISION OF WATER
RESTORATION ASSISTANCE
FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION
3900 COMMONWEALTH BOULEVARD, MS 240
TALLAHASSEE, FLORIDA 32399
850-245-2106
PEARCE.BARRETT@DEP.STATE.FL.US

ENGINEER CONTACT
DUNCAN GREER, PE
TAYLOR ENGINEERING, INC.
4300 LEGENDARY DRIVE, SUITE C246
DESTIN, FLORIDA 32541
850-460-7040
DGREER@TAYLORENGINEERING.COM

PROPERTY OWNER CONTACT
JEFF COZADD
PROJECTS/GRANTS/CONTRACTS MANAGER
CITY OF DESTIN OFFICE OF THE CITY MANAGER
4200 INDIAN BAYOU TRAIL
DESTIN, FLORIDA 32541
850-279-4228
JCOZADD@CITYOFDESTIN.COM



60% DRAFT



PROJECT LOCATION
CITY OF DESTIN, OKALOOSA COUNTY, FLORIDA
USGS 7.5' QUADRANGLE MAP: DESTIN, FLORIDA
SECTION: 25
TOWNSHIP: 2S
RANGE: 22W
LATITUDE: 30.390° - 30.395°
LONGITUDE: 86.516° - 86.508°
NORTHING: 511,082 - 512,765
EASTING: 1,333,069 - 1,335,417

VICINITY MAP
1"= 2000' (22x34)
1"= 4000' (11x17)

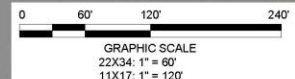
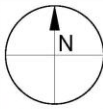


Call 811 before you dig.

THESE CONSTRUCTION DRAWINGS ARE PROVIDED FOR BIDDING PURPOSES
ONLY. THE SELECTED CONTRACTOR WILL BE PROVIDED SIGNED/SEALED
CONSTRUCTION DRAWINGS IN DIGITAL AND HARDCOPY FORMATS.

 TAYLOR ENGINEERING INC. 4300 LEGENDARY DRIVE SUITE C246 DESTIN, FLORIDA 32541 (850) 460-7040	PRELIMINARY DRAWINGS: THESE DRAWINGS ARE NOT IN FINAL FORM, BUT ARE BEING TRANSMITTED FOR AGENCY REVIEW.	SEAL
	PROJECT TITLE JOES BAYOU RECREATION AREA IMPROVEMENT PROJECT CITY OF DESTIN, FLORIDA	60% DRAFT
	PROJECT NO DATE	C2021-045 JAN 2024

ENG
G-1
SHEET X OF X



TAYLOR
ENGINEERING, INC.

4300 LEGENDARY DRIVE
SUITE C246
DESTIN, FLORIDA 32541
(850) 460-7040
REGISTRY #4815

60% DRAFT

PROJECT TITLE
**JOES BAYOU RECREATION AREA
IMPROVEMENT PROJECT**
CITY OF DESTIN, FLORIDA

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SEE SHEET C-2 FOR GENERAL NOTES. THIS
PAGE NOT VALID WITHOUT SHEET C-2.

PROJECT NO.	C2021-0485
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PROJECT
OVERVIEW

G-4
SHEET X OF X

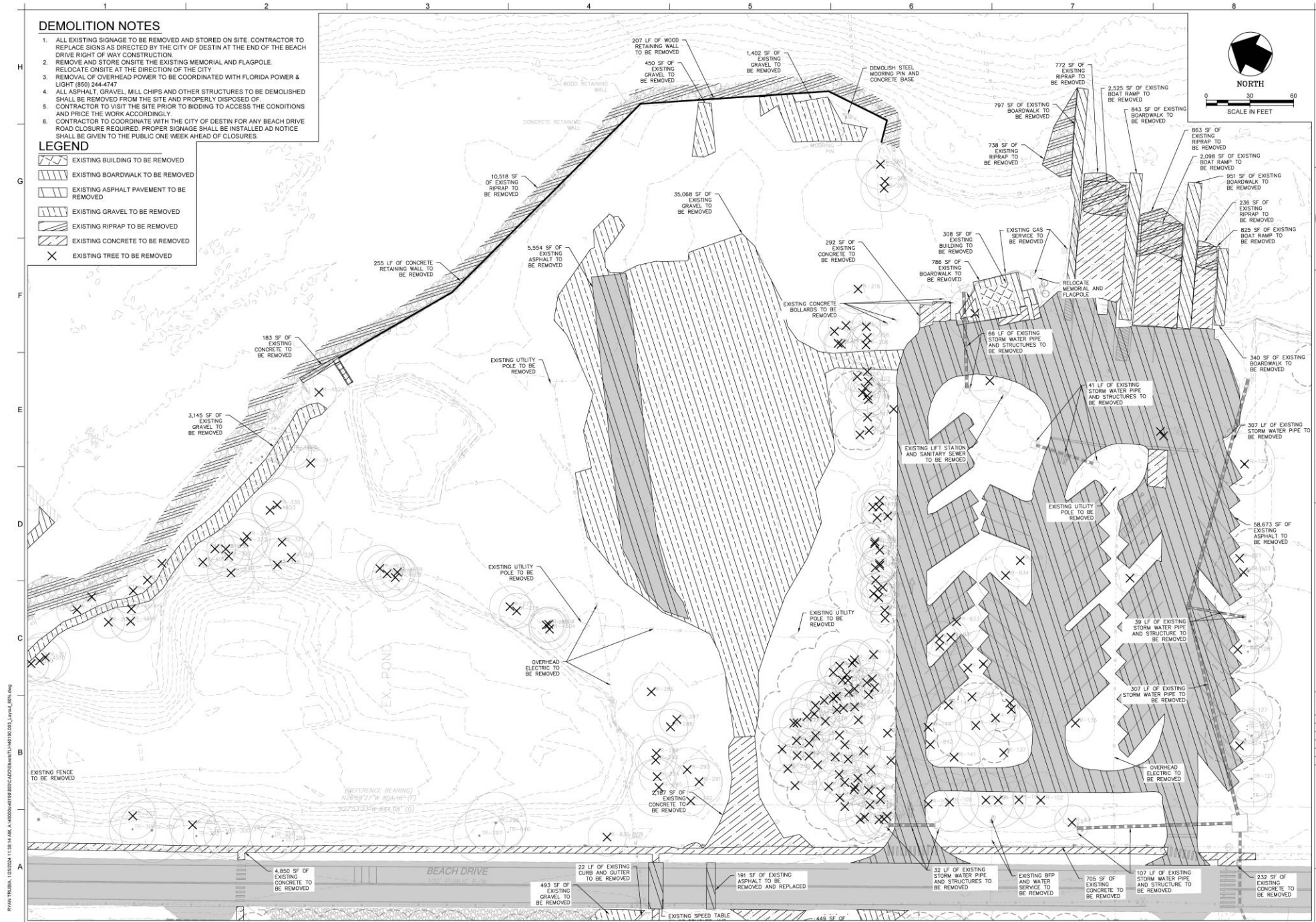


DEMOLITION NOTES

1. ALL EXISTING SIGNAGE TO BE REMOVED AND STORED ON SITE. CONTRACTOR TO REPLACE SIGNS AS DIRECTED BY THE CITY OF DESTIN AT THE END OF THE BEACH DRIVE RIGHT OF WAY CONSTRUCTION.
2. REMOVE AND STORE ON SITE THE EXISTING MEMORIAL AND FLAGPOLE.
3. RELOCATE ON SITE AT THE DIRECTION OF THE CITY.
4. REMOVAL OF OVERHEAD POWER TO BE COORDINATED WITH FLORIDA POWER & LIGHT (850) 244-4747.
5. ALL ASPHALT, GRAVEL, MILL CHIPS AND OTHER STRUCTURES TO BE DEMOLISHED SHALL BE REMOVED FROM THE SITE AND PROPERLY DISPOSED OF.
6. CONTRACTOR TO VISIT THE SITE PRIOR TO BIDDING TO ACCESS THE CONDITIONS AND PRICE THE WORK ACCORDINGLY.
7. CONTRACTOR TO COORDINATE WITH THE CITY OF DESTIN FOR ANY BEACH DRIVE ROAD CLOSURE REQUIRED. PROPER SIGNAGE SHALL BE INSTALLED AND NOTICE SHALL BE GIVEN TO THE PUBLIC ONE WEEK AHEAD OF CLOSURES.

LEGEND

- EXISTING BUILDING TO BE REMOVED
- EXISTING BOARDWALK TO BE REMOVED
- EXISTING ASPHALT PAVEMENT TO BE REMOVED
- EXISTING GRAVEL TO BE REMOVED
- EXISTING RIPRAP TO BE REMOVED
- EXISTING CONCRETE TO BE REMOVED
- EXISTING TREE TO BE REMOVED



REAL

60% PLANS

ENG

JOE'S BAYOU RECREATION
AREA IMPROVEMENTS
OKALOOSA COUNTY, FL

PROJECT TITLE

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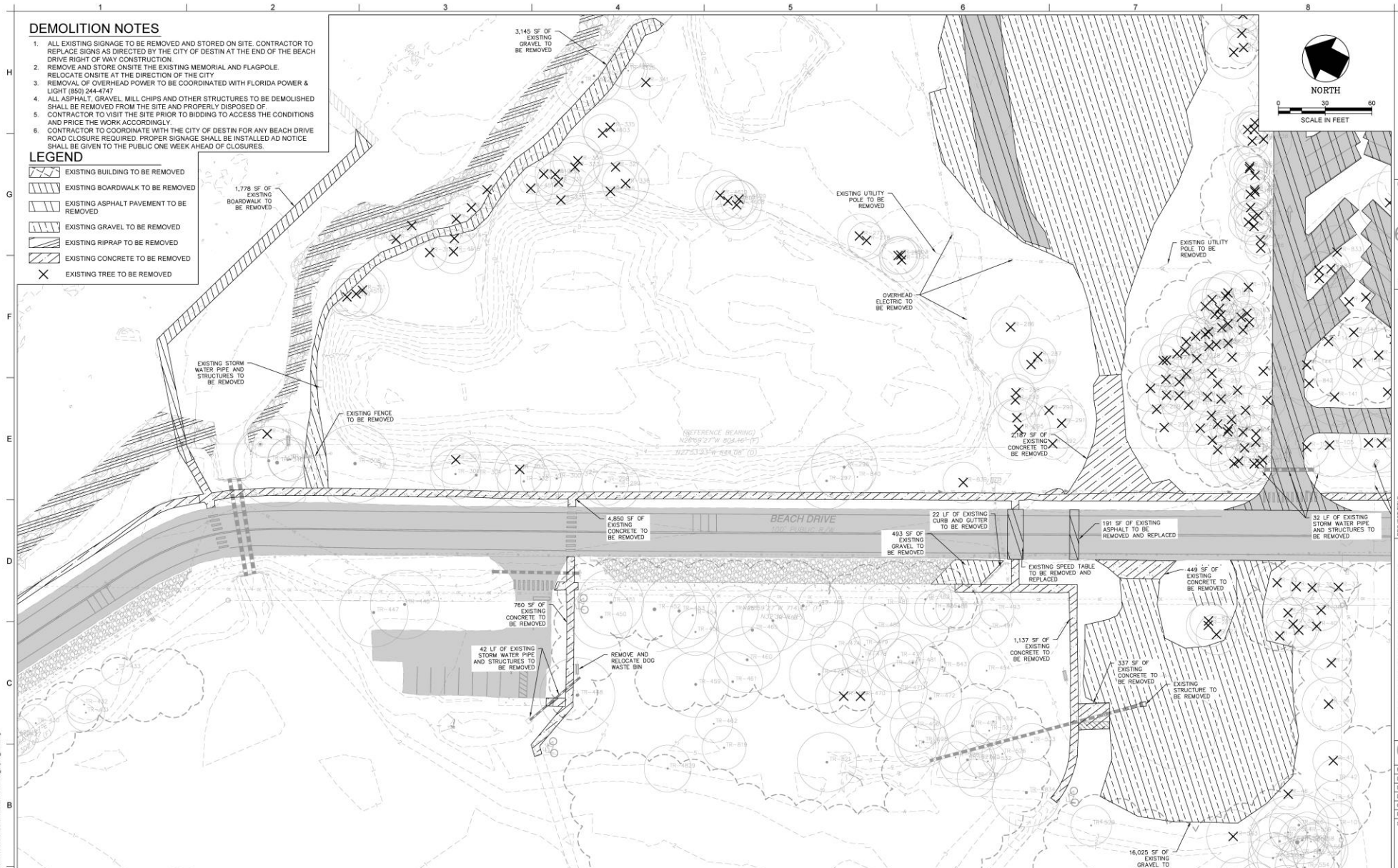
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DEMOLITION
PLAN
SOUTHERN

C1.1

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SEAL

60% PLANS

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JOE'S BAYOU RECREATION
AREA IMPROVEMENTS
OKALOOSA COUNTY, FL

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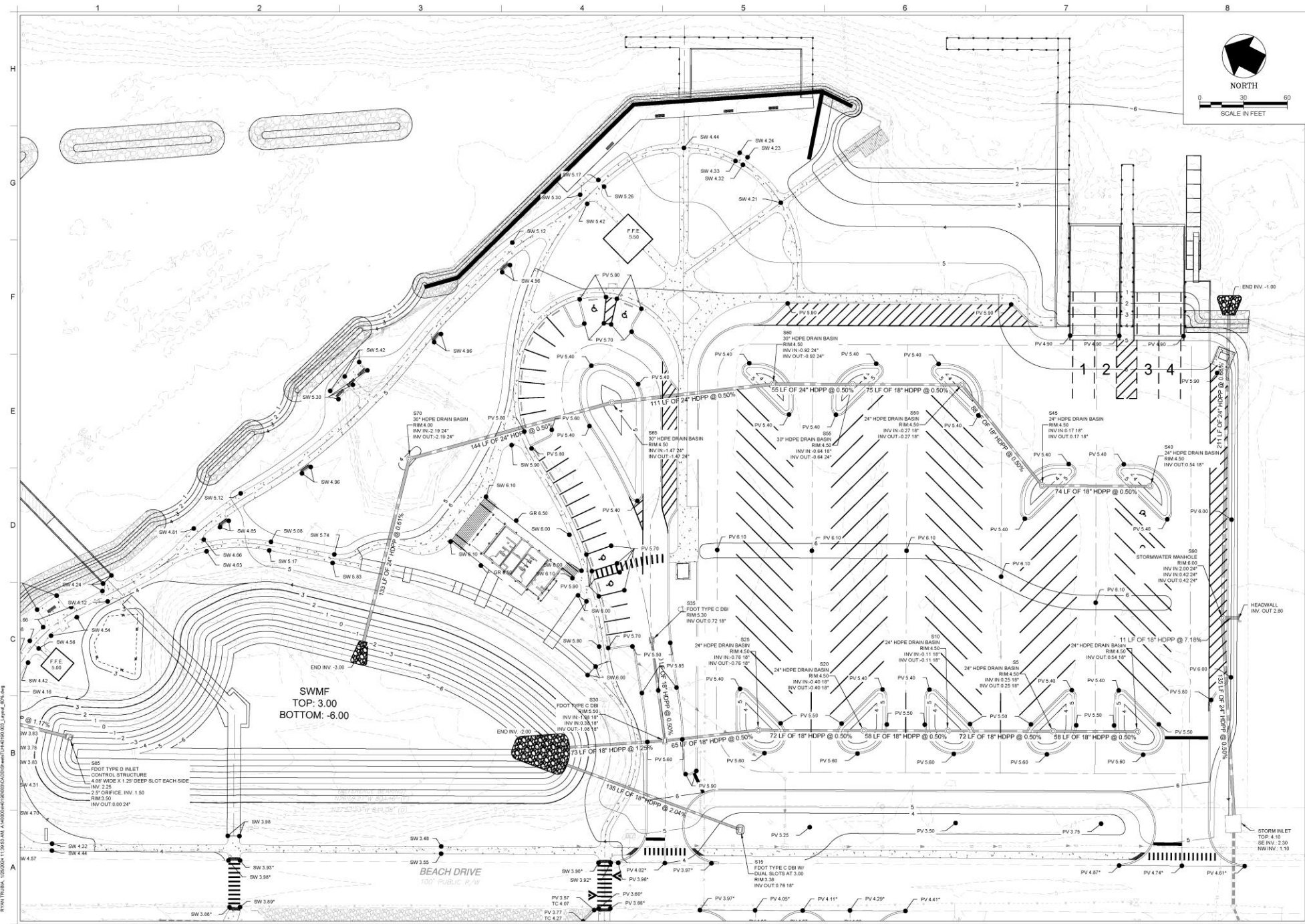
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SHEET TITLE

DEMOLITION



SEAL

60% PLANS

ENG

JOE'S BAYOU RECREATION
AREA IMPROVEMENTS
OKALOOSA COUNTY, FL

PROJECT TITLE

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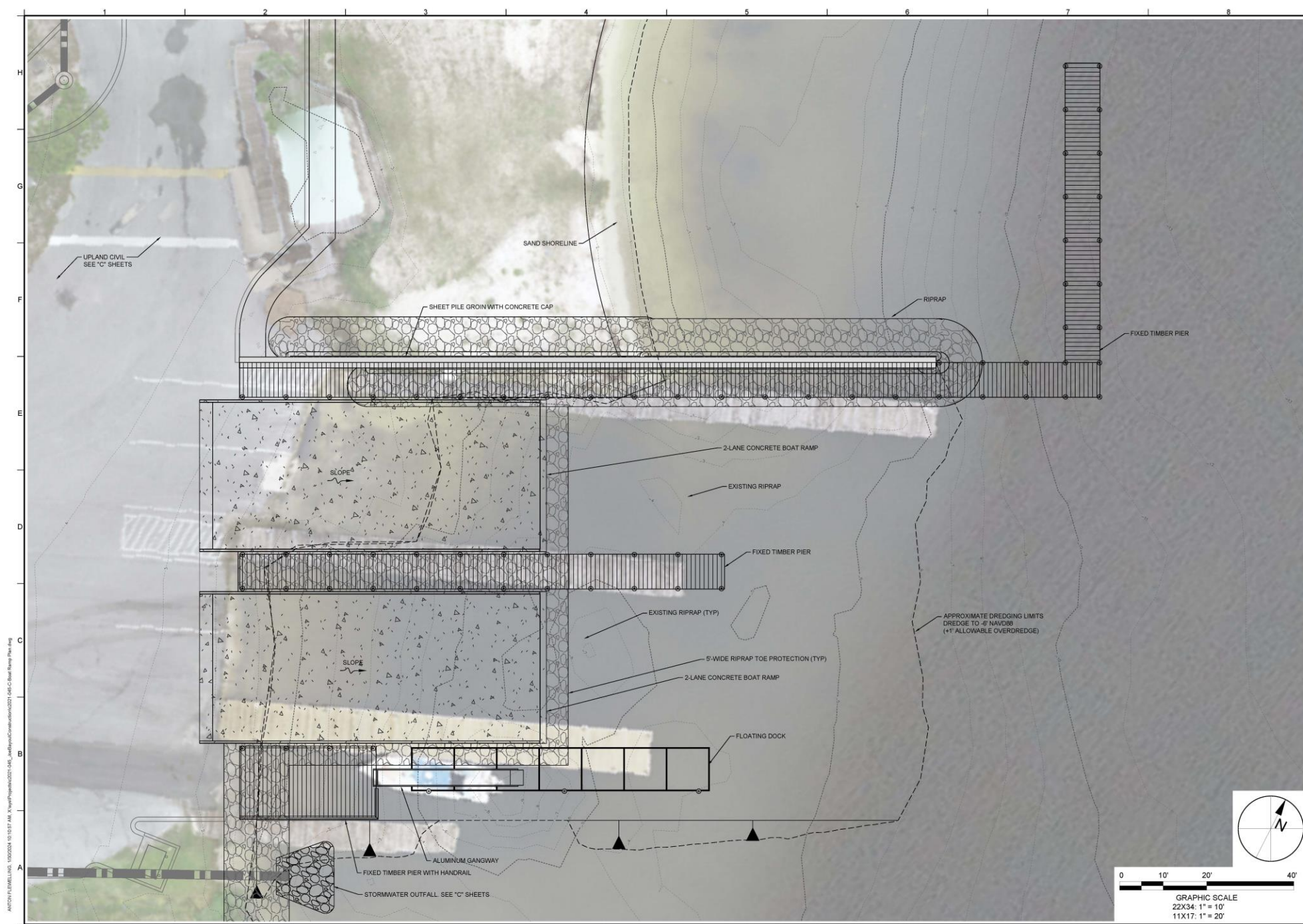
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GRADING AND
DRAINAGE PLAN
SOUTHERN

C6.1

SHEET X OF X



TAYLOR
ENGINEERING, INC.

4300 LEGENDARY DRIVE
SUITE C246
DESTIN, FLORIDA 32541
(850) 460-7040
REGISTRY # 4815

REAL

60% DRAFT

ENG

PROJECT TITLE

JOES BAYOU RECREATION AREA
IMPROVEMENT PROJECT
CITY OF DESTIN, FLORIDA

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NO	DATE	REVISION / SUBMISSIONS

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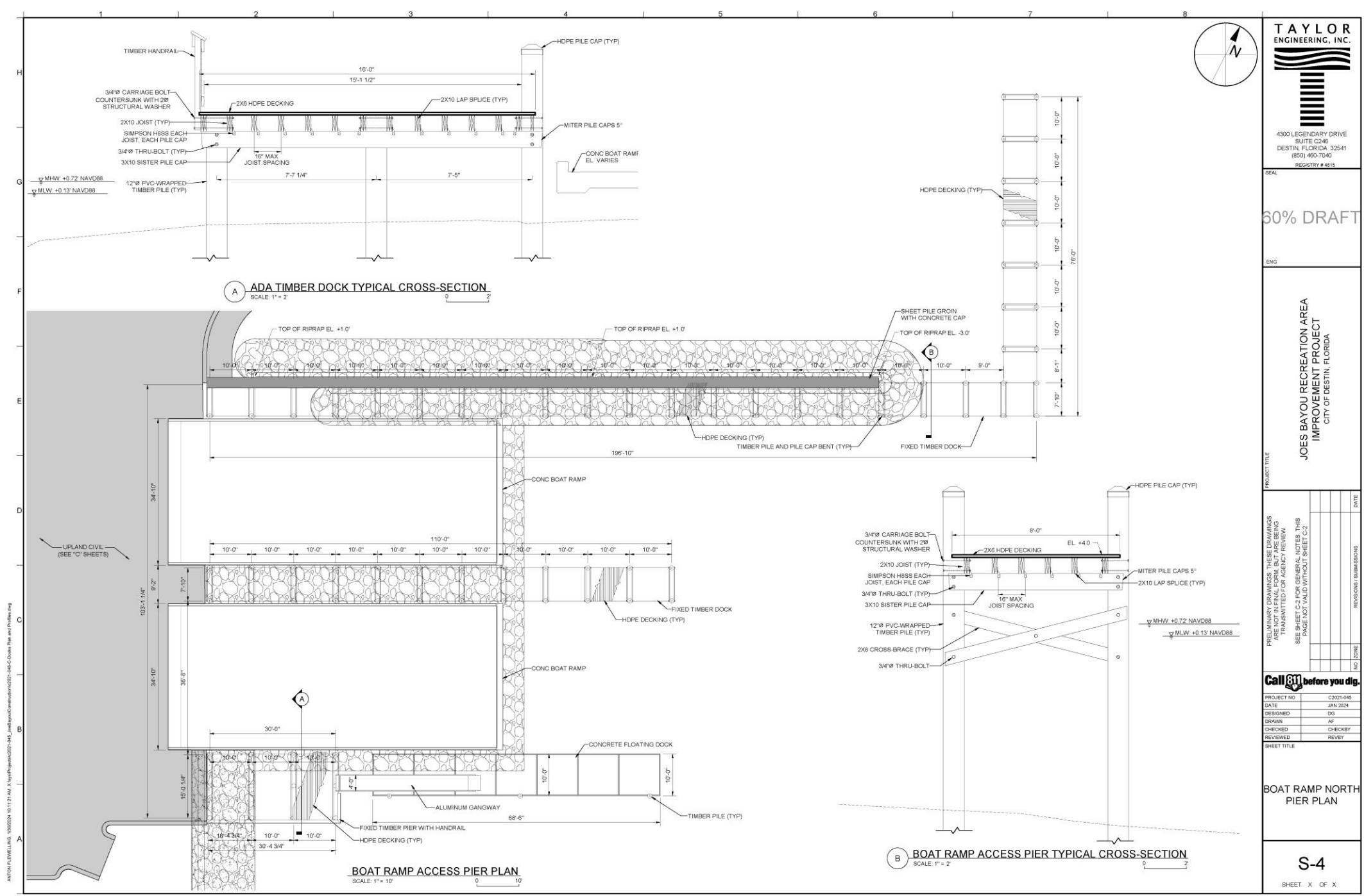
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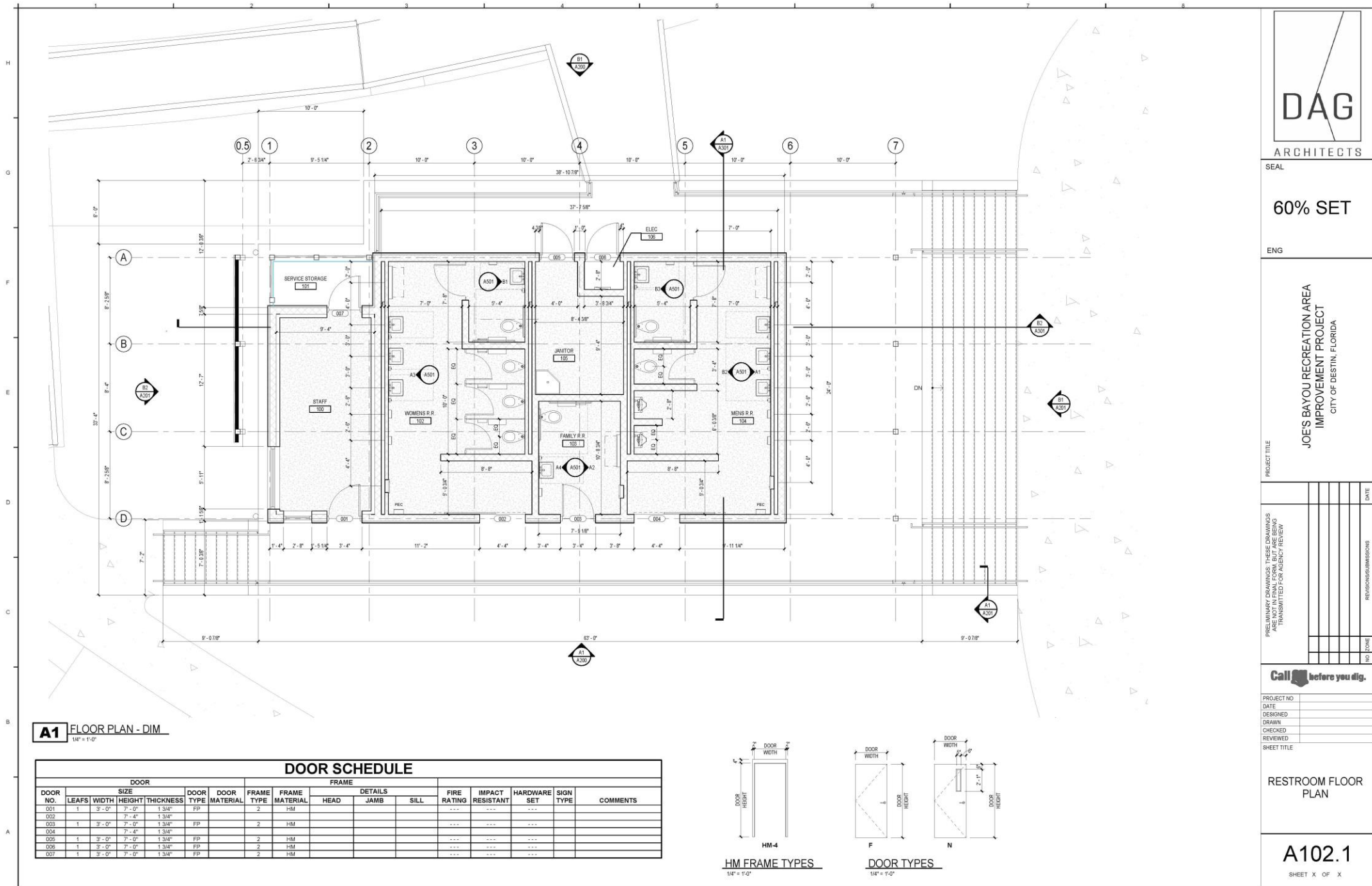
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BOAT RAMP PLAN

S-2

SHEET X OF X





ARCHITECTS

SEAL

60% SET

ENG

PROJECT TITLE
JOE'S BAYOU RECREATION AREA
IMPROVEMENT PROJECT
CITY OF DESTIN, FLORIDA

PRELIMINARY DRAWINGS. THESE DRAWINGS
ARE NOT IN FINAL FORM, BUT ARE BEING
TRANSMITTED FOR AGENCY REVIEW

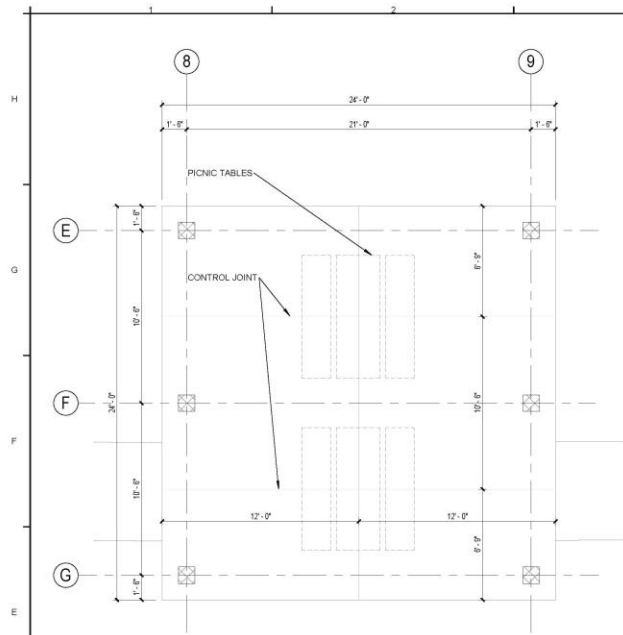
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PROJECT NO.
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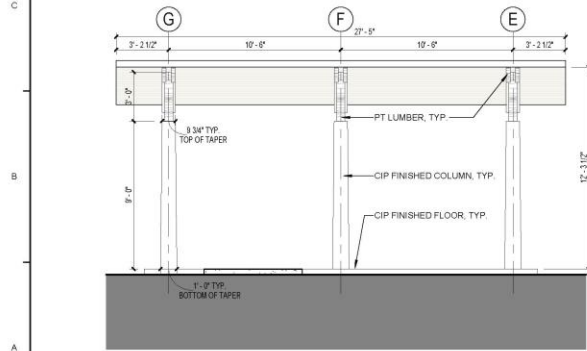
RESTROOM FLOOR
PLAN

A102.1

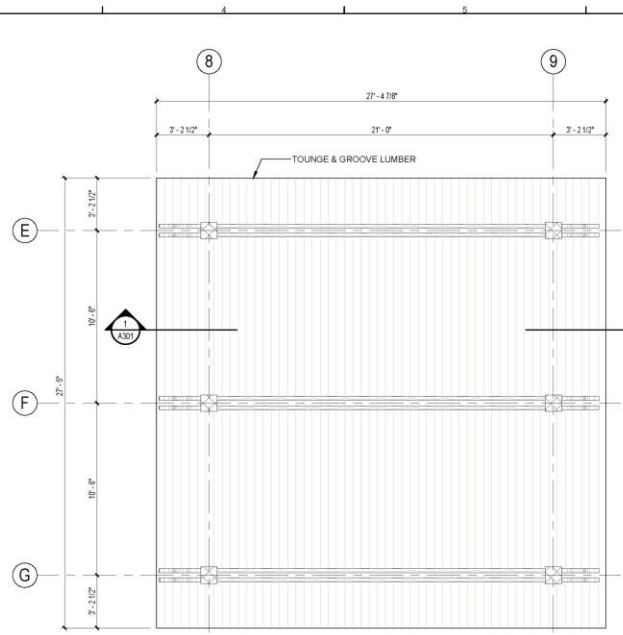
SHEET X OF X



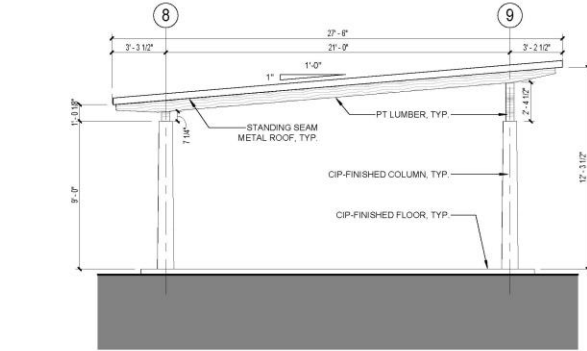
B1 FLOOR PLAN LARGE PAVILION
1/4" = 1'-0"



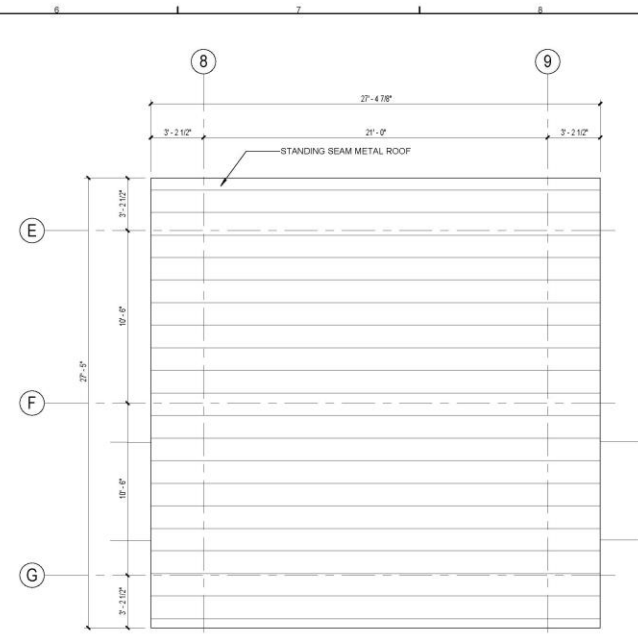
A2 L.P. ExEl East Overall
1/4" = 1'-0"



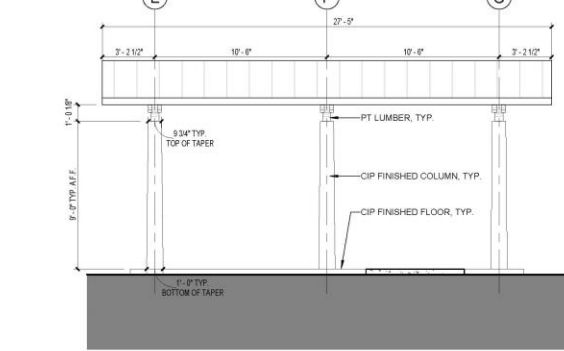
B2 GRADE
1/4" = 1'-0"



A1 L.P. ExEl South Overall
1/4" = 1'-0"



B3 ROOF PLAN LARGE PAVILION
1/4" = 1'-0"



A3 L.P. ExEl West Overall
1/4" = 1'-0"

DAG

ARCHITECTS

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JOE'S BAYOU RECREATION AREA
IMPROVEMENT PROJECT
CITY OF DESTIN, FLORIDA

PROJECT TITLE

PRELIMINARY DRAWINGS. THESE DRAWINGS
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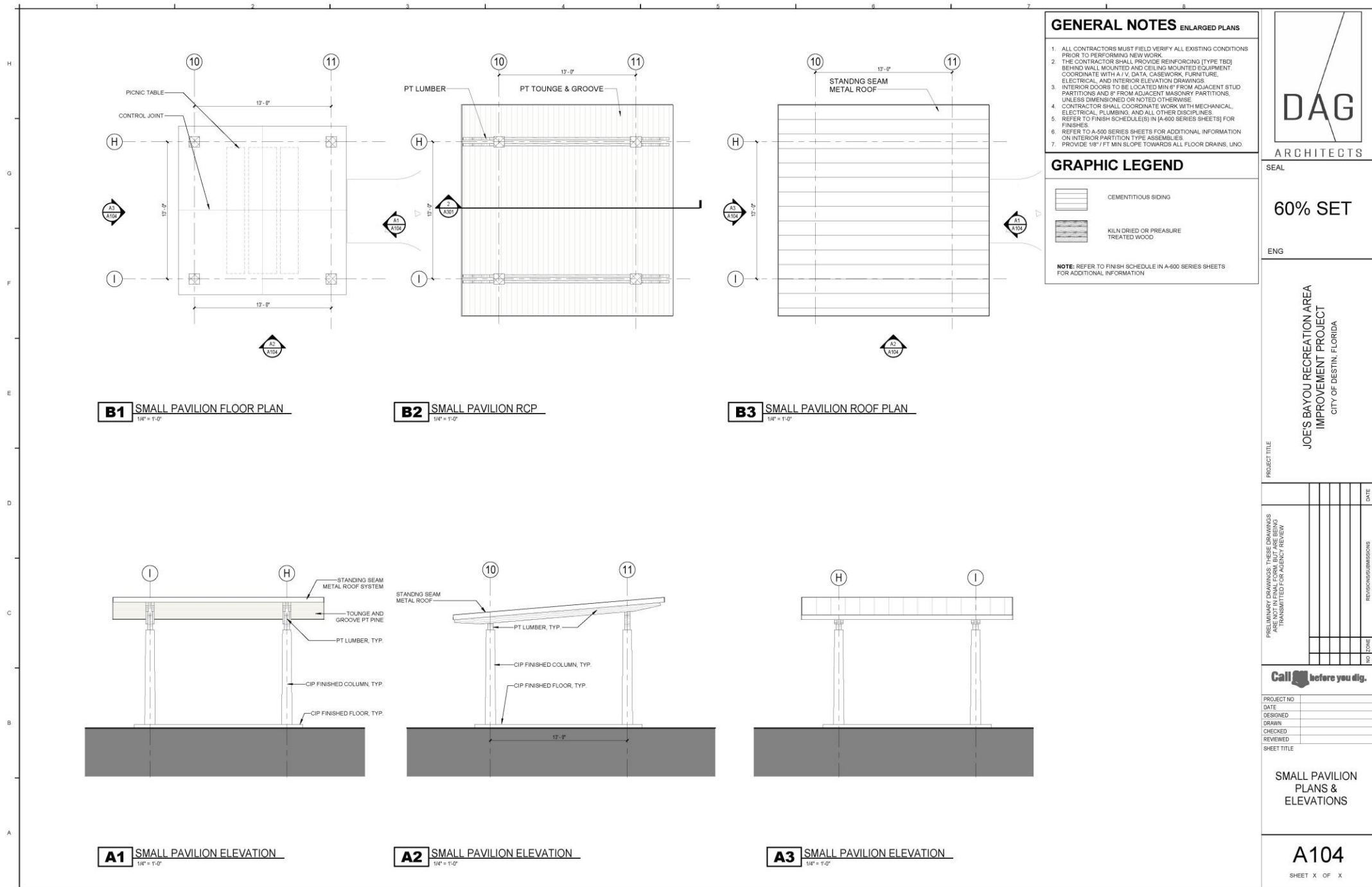
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LARGE PAVILION
PLANS &
ELEVATIONS

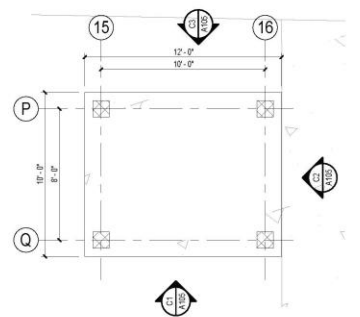
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SHEET X OF X

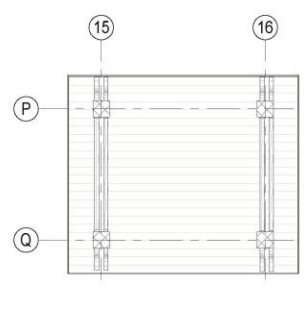




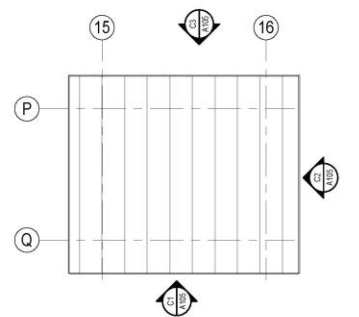
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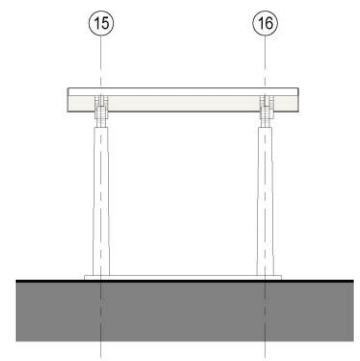
F1 SMALL PAVILION FLOOR PLAN
1/4" = 1'-0"



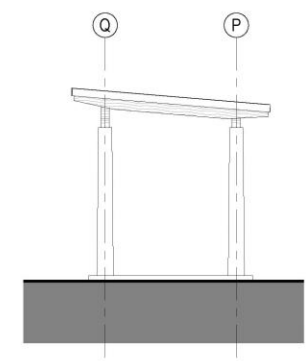
F2 Parking Lot Pavilion RCP
1/4" = 1'-0"



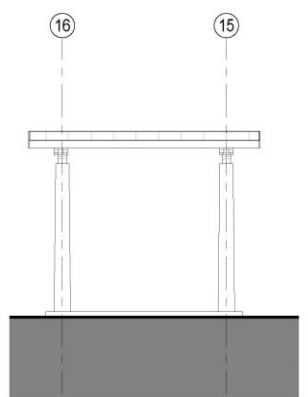
F3 Parking Lot Pavilion Roof
1/4" = 1'-0"



C1 3 - b
1/4" = 1'-0"



C2 Elevation 4 - a
1/4" = 1'-0"



C3 3 - d
1/4" = 1'-0"



ARCHITECTS

SEAL

60% SET

ENG

JOE'S BAYOU RECREATION AREA
IMPROVEMENT PROJECT
CITY OF DESTIN, FLORIDA

PROJECT TITLE

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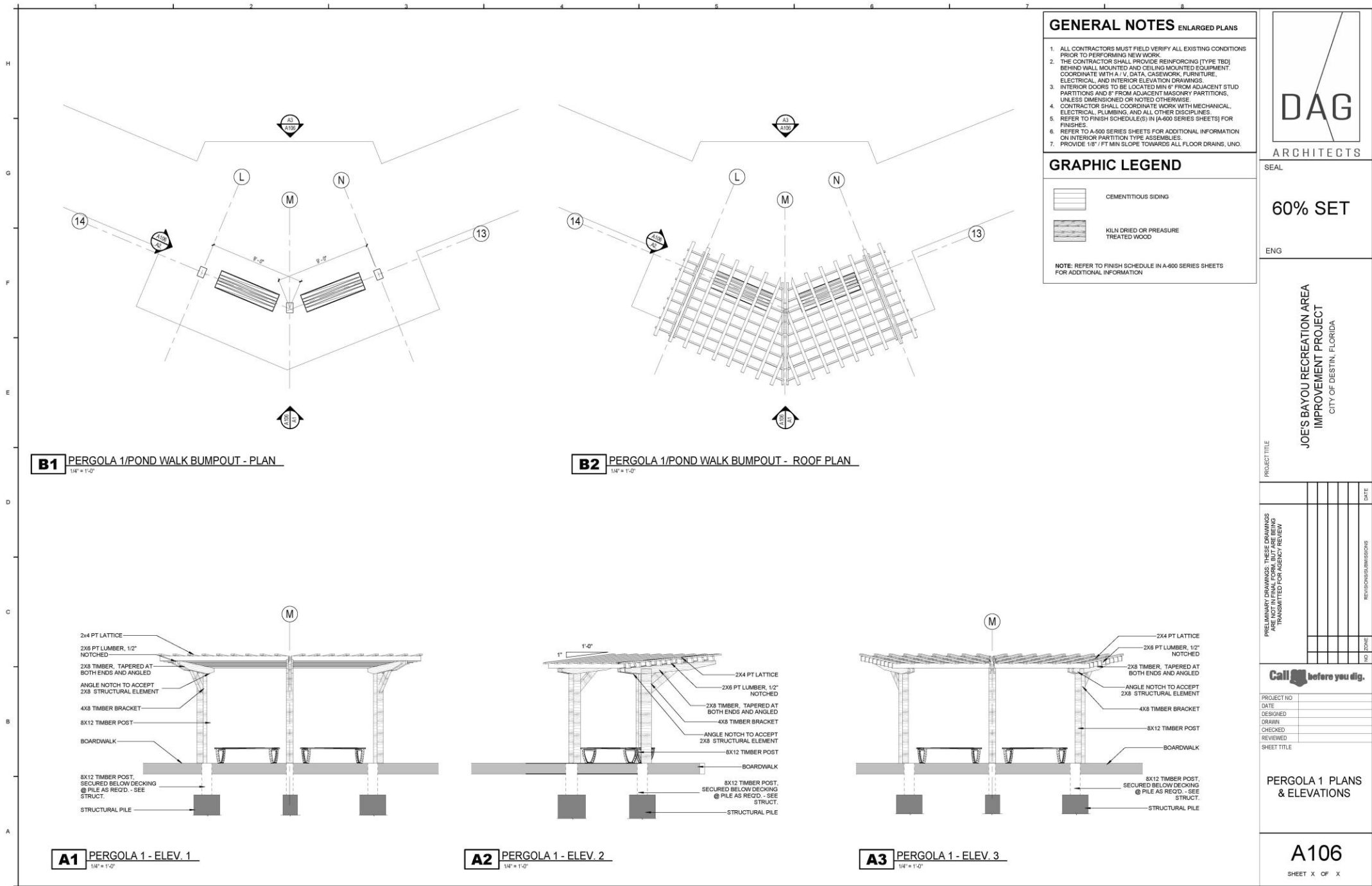
NO.	REVISIONS/SUBMISSIONS	DATE

Call before you dig.

PROJECT NO.	
DATE	
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SHEET TITLE	

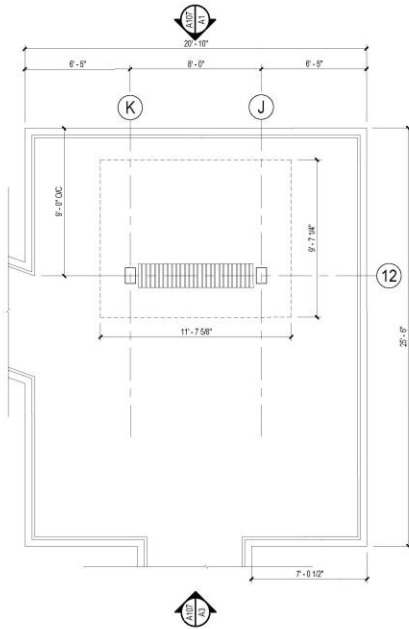
PARKING LOT
PAVILION

A105
SHEET X OF X

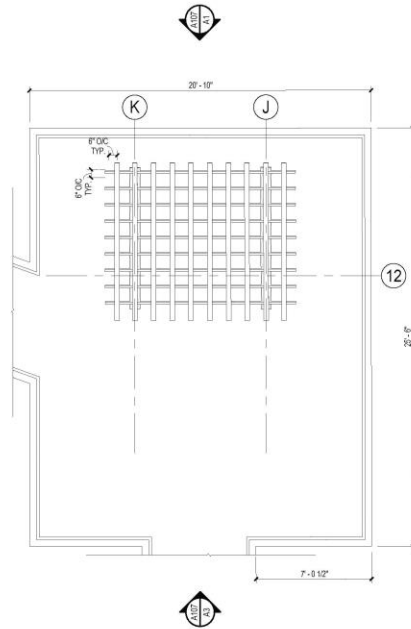




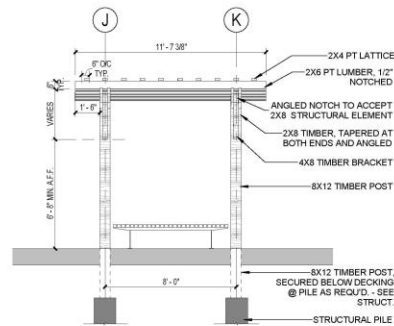
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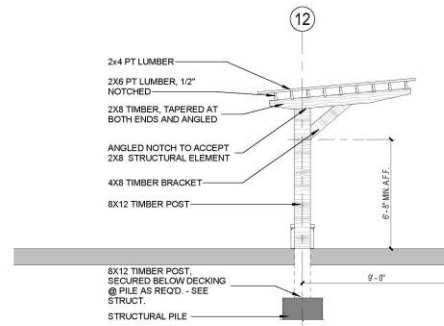
B1 PERGOLA 2/NATURE WALK BUMPOUT 2 - PLAN
1/4" = 1'-0"



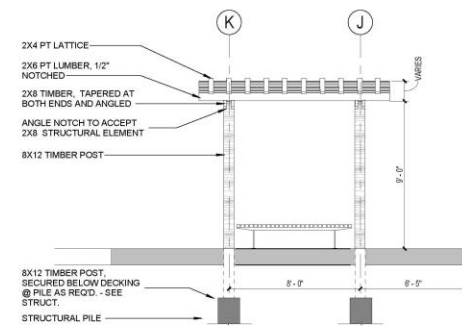
B2 PERGOLA 2/NEW BUMPOUT 2 ROOF PLAN
1/4" = 1'-0"



A1 PERGOLA 2 - ELEV. 1
1/4" = 1'-0"



A2 PERGOLA 2 - ELEV. 2
1/4" = 1'-0"



A3 PERGOLA 2 - ELEV. 3
1/4" = 1'-0"

GENERAL NOTES ENLARGED PLANS

1. ALL CONTRACTORS MUST FIELD VERIFY ALL EXISTING CONDITIONS PRIOR TO PERFORMING NEW WORK.
2. THE CONTRACTOR SHALL PROVIDE REINFORCING [TYPE TBD] BEHIND WALL MOUNTED AND CEILING MOUNTED EQUIPMENT. COORDINATE WITH A/V DATA, CASEWORK, FURNITURE, ELECTRICAL AND INTERIOR ELEVATION DRAWINGS.
3. INTERIOR DOORS TO BE LOCATED MIN 8" FROM ADJACENT STUD PARTITIONS AND 8" FROM ADJACENT MASONRY PARTITIONS, UNLESS DIMENSIONED OR NOTED OTHERWISE.
4. CONTRACTOR SHALL COORDINATE WORK WITH MECHANICAL, ELECTRICAL, PLUMBING, AND ALL OTHER DISCIPLINES. REFER TO FINISH SCHEDULE(S) IN (A-600 SERIES SHEETS) FOR FINISHES.
5. REFER TO A-500 SERIES SHEETS FOR ADDITIONAL INFORMATION ON INTERIOR PARTITION TYPE ASSEMBLIES.
6. PROVIDE 1/8" / FT MIN SLOPE TOWARDS ALL FLOOR DRAINS, UNO.

GRAPHIC LEGEND

CEMENTITIOUS SIDING

KILN DRIED OR PRESSURE TREATED WOOD

NOTE: REFER TO FINISH SCHEDULE IN A-600 SERIES SHEETS FOR ADDITIONAL INFORMATION

ARCHITECTS

SEAL

60% SET

ENG

PROJECT TITLE

JOE'S BAYOU RECREATION AREA
IMPROVEMENT PROJECT
CITY OF DESTIN, FLORIDA

PRELIMINARY DRAWINGS. THESE DRAWINGS ARE NOT IN FINAL FORM, BUT ARE BEING TRANSMITTED FOR AGENCY REVIEW

DATE

NO

ZONE

NEW/REVISIONS

Call before you dig.

PROJECT NO

DATE

DESIGNED

DRAWN

CHECKED

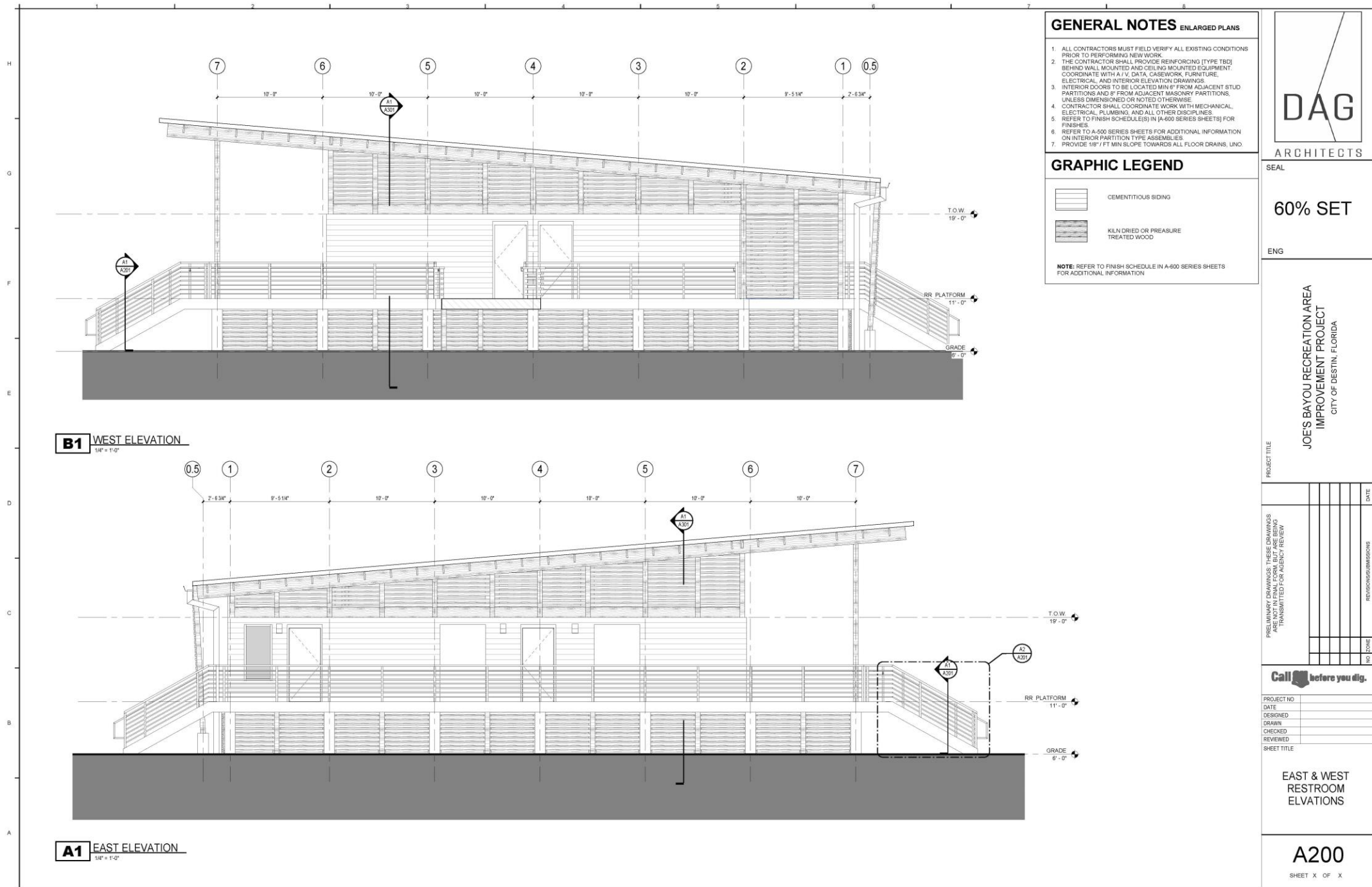
REVIEWED

SHEET TITLE

PERGOLA 2 PLANS & ELEVATIONS

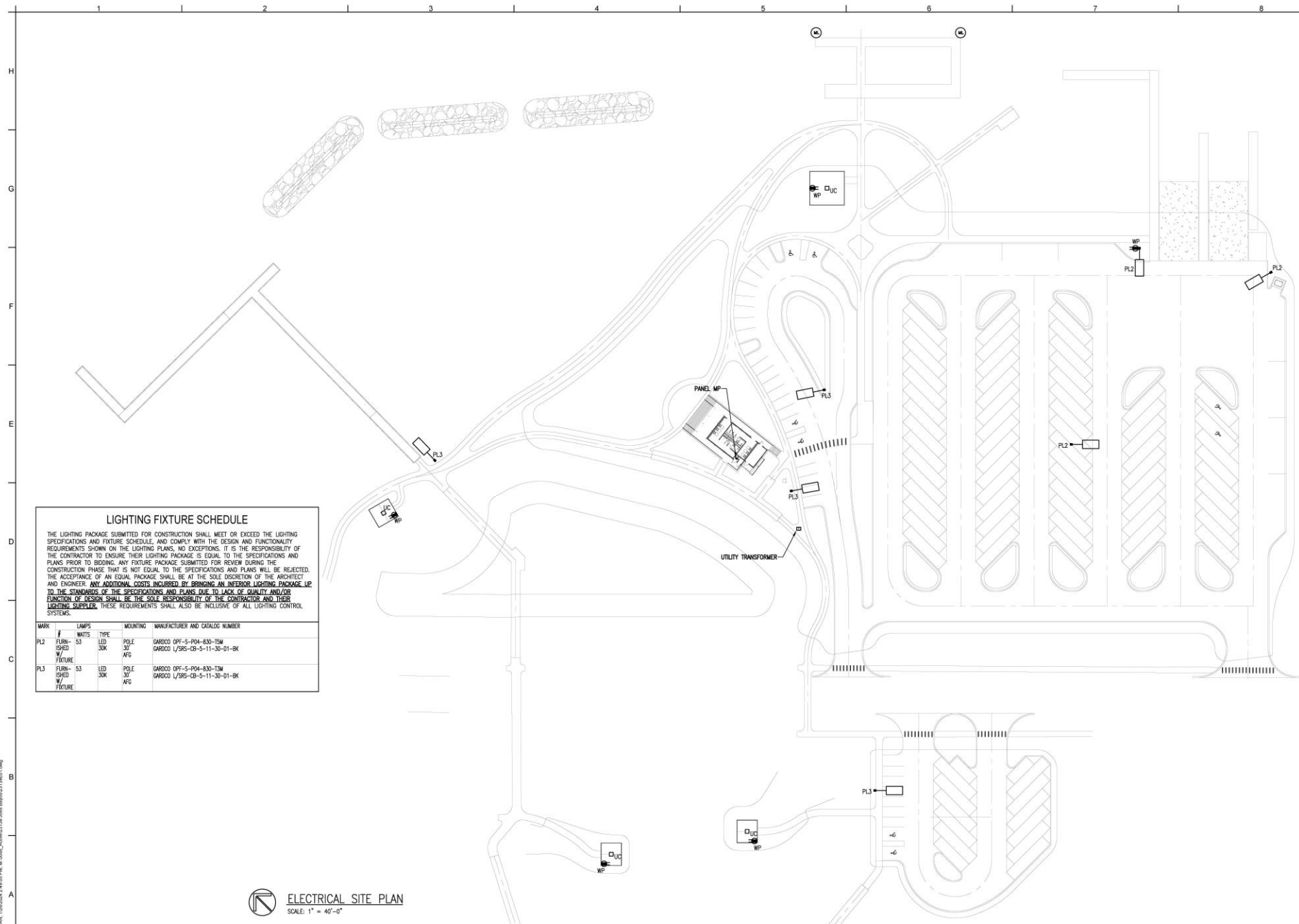
A107

SHEET X OF X





TITLE BLOCK: 1/26/2024 2:48:28 PM M. LORR_Admr21139-Joe Bayou2113601.dwg



LIGHTING FIXTURE SCHEDULE

THE LIGHTING PACKAGE SUBMITTED FOR CONSTRUCTION SHALL MEET OR EXCEED THE LIGHTING SPECIFICATIONS AND FIXTURE SCHEDULE, AND COMPLY WITH THE DESIGN AND FUNCTIONALITY REQUIREMENTS SHOWN ON THE LIGHTING PLANS. NO EXCEPTIONS. IT IS THE RESPONSIBILITY OF THE CONTRACTOR TO ENSURE THEIR LIGHTING PACKAGE IS EQUAL TO THE SPECIFICATIONS AND PLANS PRIOR TO BIDDING. ANY FIXTURE PACKAGE SUBMITTED FOR REVIEW DURING THE CONSTRUCTION PHASE THAT IS NOT EQUAL TO THE SPECIFICATIONS AND PLANS WILL BE REJECTED. THE ACCEPTANCE OF AN EQUAL PACKAGE SHALL BE AT THE SOLE DISCRETION OF THE ARCHITECT AND ENGINEER. ANY ADDITIONAL COSTS INCURRED BY BRINGING AN INFERIOR LIGHTING PACKAGE UP TO THE STANDARDS OF THE SPECIFICATIONS AND PLANS DUE TO LACK OF QUALITY AND/OR FUNCTION OF DESIGN SHALL BE THE SOLE RESPONSIBILITY OF THE CONTRACTOR AND THEIR LIGHTING SUPPLIER. THESE REQUIREMENTS SHALL ALSO BE INCLUSIVE OF ALL LIGHTING CONTROL SYSTEMS.

MARK	#	LAMPS	WATTS	TYPE	MOUNTING	MANUFACTURER AND CATALOG NUMBER
PL2	FURN- ISHED W/ FIXTURE	53	30K	LED	POLE 30' AFG	GARCO OPT-5-P04-830-TSM GARCO L/SRS-CB-5-11-30-01-BK
PL3	FURN- ISHED W/ FIXTURE	53	30K	LED	POLE 30' AFG	GARCO OPT-5-P04-830-TSM GARCO L/SRS-CB-5-11-30-01-BK



ELECTRICAL SITE PLAN
SCALE: 1" = 40'-0"

H.M. YONGE & ASSOCIATES, INC.
CONSULTING ENGINEERS // EST. 1988
31 EAST GUNDRY STREET
PENSACOLA, FLORIDA 32502
PHONE: (904) 438-0951
253 ST. ANTHONY STREET
MOBILE, ALABAMA 36603
PHONE: (251) 830-7446

SEAL

60% SET

ENG

PROJECT TITLE
JOES BAYOU RECREATION AREA
IMPROVEMENT PROJECT
CITY OF DESTIN, FLORIDA

PRELIMINARY DRAWINGS
ARE NOT TO BE USED FOR
CONSTRUCTION OR
TRANSMITTED FOR AGENCY REVIEW

NO.	DATE	REVISIONS SUBMISSIONS

Call 811 before you dig.

PROJECT NO.	C2001-045
DATE	01/26/2024
DESIGNED	T.A.D.
DRAWN	T.A.D.
CHECKED	A.T.V.
REVIEWED	A.T.V.

SHEET TITLE

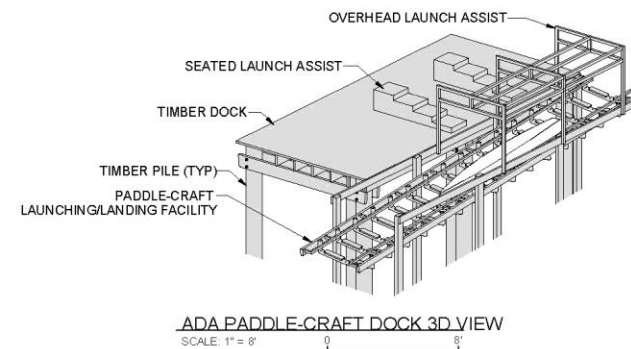
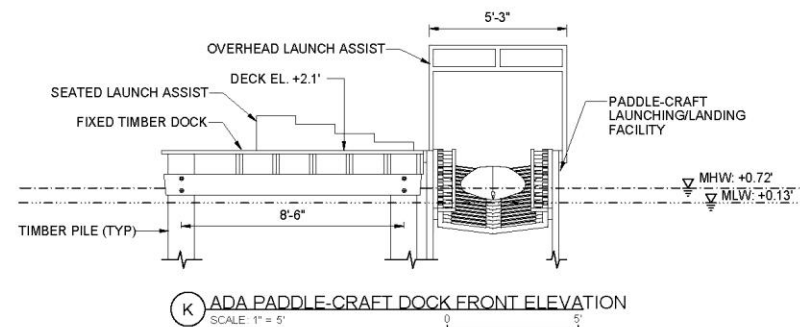
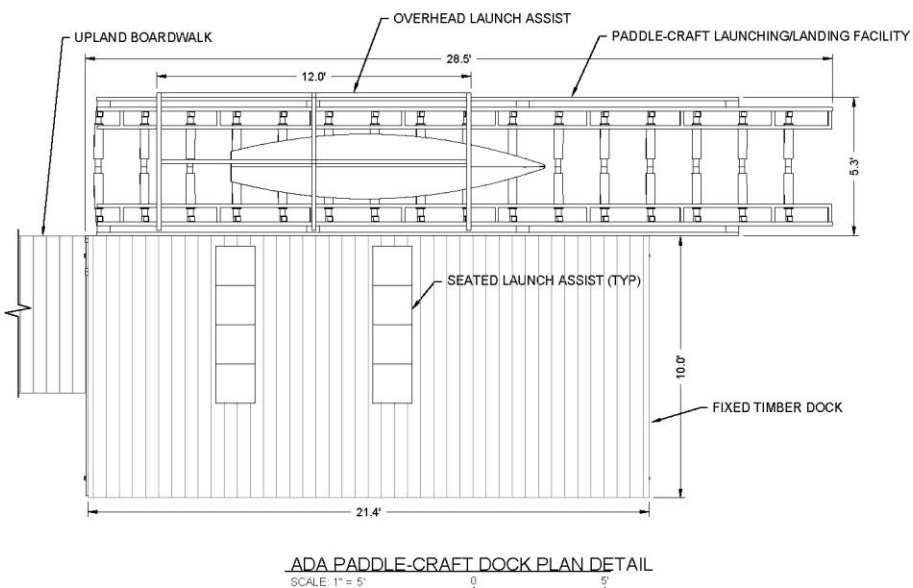
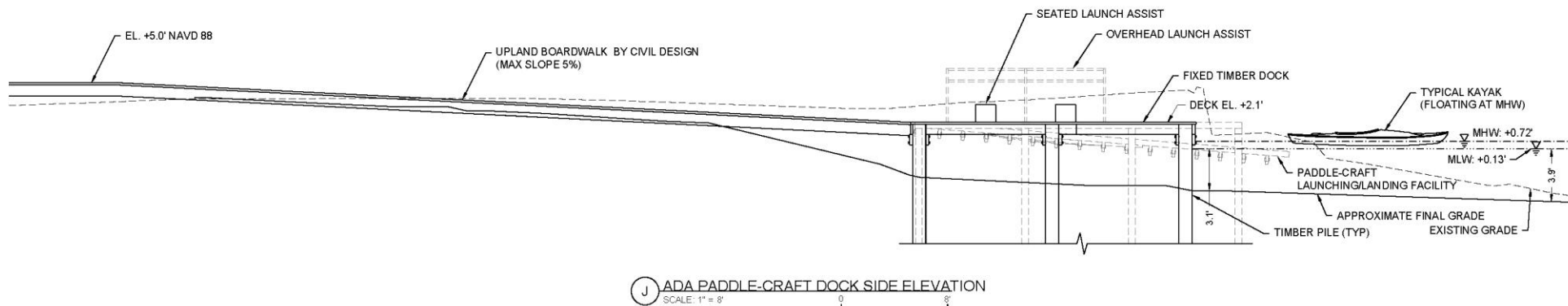
ELECTRICAL
SITE PLAN

E-1

SHEET XX OF XX



ANTON FLEWELLING X:\ST\PROJECTS\2021-045_JOESBAYOU\PERMIT\2021-045-F-DETAILS.DWG 1/11/2024 2:07:17 PM



PROJECT	C202-045
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SHEET	18 of 24
DATE	DEC 2023

FIGURE 18
PADDLE-CRAFT DOCK DETAILS
JOES BAYOU RECREATION AREA IMPROVEMENT PROJECT
CITY OF DESTIN, FLORIDA

TAYLOR ENGINEERING INC.
4300 LEGENDARY DRIVE SUITE C246
DESTIN, FLORIDA 32541
REGISTRY # 4815

PRELIMINARY DRAWINGS: THESE DRAWINGS ARE NOT IN FINAL FORM, BUT ARE BEING TRANSMITTED FOR AGENCY REVIEW



NEXT STEPS

1. Note comments from city staff, Parks and Recreation (P&R) Committee, and City Council presentation of 60% designs and incorporate in preparation of 90% plans where feasible.
2. Prepare 90% design documents and submit for permits with local, state, and Federal permitting agencies in Spring 2024.
3. Present 90% design documents along with permitting comments to staff, P&R committee, and City Council.
4. Prepare Bid Documents and release for bids.



DISCUSSION & QUESTIONS

Joe's Bayou Recreation Area
Improvement Project



PUBLIC WEBSITE AND FURTHER INFORMATION

Website Link – <https://kgreene562.wixsite.com/jbrai>.

Pearce L. Barrett III, P.E., FCCM

NRDA Project Coordinator

Pearce.Barrett@floridadep.gov

850-245-2106

Rachel Schmalfuss

Gulf Coast Public Affairs Manager

Rachel.Schmalfuss@floridadep.gov

850-245-2107



THANK YOU

Pearce Barrett P.E.

Division of Water Restoration Assistance

Deepwater Horizon Program

Florida Department of Environmental Protection

Contact Information:

850-245-2106

Pearce.Barrett@floridadep.gov

CITY OF DESTIN



AGENDA ITEM

COUNCIL MEETING DATE: March 18, 2024

TYPE OF AGENDA ITEM: Consent Agenda

AGENDA OUTLINE NUMBER: 3.A.

TO: City Council

THRU: Louis Zunguze, Interim City Manager
Kimberly Kopp, City Attorney

FROM: Michael Burgess, Public Services Director
Krystal Strickland, Finance Director

DATE: 02/28/2024

SUBJECT: Declaration of City Property as Surplus (Vehicles, Equipment, and Other Miscellaneous Items)

I. BACKGROUND: Per Ordinance 23-01-CN, the City Council must declare property as surplus prior to the items being disposed of via Online Auction.

II. DISCUSSION: A list of items requested to be declared as surplus is provided as ATT2. The Ordinance 23-01-CN is provided as ATT1.

Items will be listed with a 14-day bid window. The Public will have the opportunity to inspect these items on a designated date prior to the close of the auction.

A. Link to Strategic Goals / Objectives: I. Financially Sound City providing Service Excellence

B. Effect on Budget (EOB): Proceeds from the online auction of these items will be treated per the attached Ordinance.

Proceeds will be credited to the General Fund (01300-365000 GF-Surplus Sales).

C. Level of Service (LOS): Disposal of unneeded, obsolete, or broken vehicles, equipment, and other miscellaneous items.

D. Legislative Sponsor:

III. CONCLUSION: If approved, these items will be listed by [Govdeals.com](https://www.govdeals.com) as soon as possible.

IV. RECOMMENDED MOTION: I move that the City Council declare those items listed in the attachment provided as surplus and direct the City Manager to have them disposed of via online auction.

Attachments:

1. ATT1: ORD 23-01-CN Disposal of
Surplus Property
2. ATT2: Surplus Vehicles Equipment
031824

ORDINANCE NO. 23-01-CN

AN ORDINANCE OF THE CITY OF DESTIN, FLORIDA, PROVIDING FOR AMENDMENT OF SECTIONS 2-61 THROUGH 2-65 OF THE CITY'S CODE OF ORDINANCES, DISPOSAL OF SURPLUS PROPERTY; PROVIDING FOR AUTHORITY; PROVIDING FOR FINDINGS OF FACT; PROVIDING FOR CONFLICTING PROVISIONS; AND PROVIDING FOR AN EFFECTIVE DATE.

SECTION 1. AUTHORITY.

The authority for the enactment of this ordinance is Article I, Section 1.01 of the City Charter and Section 166.021, Florida Statutes.

SECTION 2. FINDINGS OF FACT.

WHEREAS, the City Council has previously adopted Ordinance Number 135 (codified in section 2-61 through 2-65 of the City's Code of Ordinances) and Ordinance Number 13-12-CN, both of which relate to the disposal of surplus property (the "Surplus Property Disposal Ordinances"); and

WHEREAS, the Surplus Property Disposal Ordinances conflict and are in need of revision to more efficiently and economically dispose of surplus City property; and

NOW THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DESTIN, FLORIDA, AS FOLLOWS:

Note: Language in all sections of this ordinance that is ~~strike-thru~~ is language proposed to be deleted, underline language is language to be added, language that is not in ~~strike-thru~~ or underlined is not to be changed. The symbol * represents sections of the City of Destin's Ordinance 109, As Amended, Personnel Rules and Regulations, that have been skipped and remain unchanged.**

SECTION 3. AMENDMENT OF CITY CODE, DISPOSAL OF SURPLUS PROPERTY, BY AMENDING SECTION 2-62 – *DEFINITIONS*; SECTION 2-63 - *SURPLUS PROPERTY* ; SECTION 2-64 - *DISPOSAL OF SURPLUS PROPERTY TO GOVERNMENTAL UNITS*; SECTION 2-65 – *DISPOSAL OF SURPLUS PROPERTY TO PERSONS*

Section 2-62 is hereby amended as follows:

Section 2-62. Definitions.

Charitable organization shall mean a not-for-profit business entity whose primary objectives are philanthropy or social well-being and is tax exempt under Internal Revenue Code Section 501(c)(3).

Governmental unit shall mean the governing board, commission or authority of Okaloosa County, other municipalities within Okaloosa County, taxing districts of the state within Okaloosa County, or the Sheriff of Okaloosa County, or the governing board of the Okaloosa County fair.

Person shall mean any individual person or any other legal entity.

Trade-in shall mean property which is accepted by a retailer as partial payment for an item which will become property after it is purchased.

Section 2-63 is hereby amended as follows:

Section 2-63. Surplus property.

The city council ~~shall~~ may, upon the recommendation of the city manager, classify as surplus any of its property that is obsolete or the continued use of which is uneconomical or inefficient, or which serves no useful function. The city manager's recommendation shall include his a best estimate of the property's value. The city council may, in its reasonable discretion and upon consideration of the best interest of the city, the value and condition of property classified as surplus, and the probability of such property being desired by prospective bidders to whom offered, direct the city manager to dispose of surplus property to governmental units and charitable organizations through the procedures described in Section 2-64, to other persons through the procedures described in Section 2-65, or to destroy or abandon the property through the procedures described in Section 2-65.

Section 2-64 is hereby amended as follows:

Section 2-64. Disposal of surplus property to governmental units and charitable organizations.

~~Within the reasonable exercise of the discretion of the city council and having consideration for the best interest of the city, the value and condition of property classified as surplus, and the probability of such property being desired by prospective bidders to whom offered, Upon consideration of the factors described in Section 2-63, the city council may direct the city manager to offer, by letter, surplus property to all other governmental units and charitable organizations; and through the following procedures:~~

- (1) ~~Such offer shall disclose the estimated value and condition of the property, the date and time by which bids should be received. The city may solicit sealed, competitive bids~~

from all interested governmental units and charitable organizations. If the city elects to solicit sealed, competitive bids, then the city shall disclose the estimated value and condition of the property to prospective bidders, permit inspection of the property (if feasible), and include a date and time certain by which bids must be received. The city shall accept the highest bid from a responsible bidder.

- (2) ~~Such offer shall disclose the estimated value and condition of the property, the date and time by which bids should be received. In lieu of soliciting sealed bids or if no sealed bids are received after soliciting sealed bids, the city may, in its reasonable discretion, directly contact potentially interested governmental units and charitable organizations and donate the property directly to a governmental unit or charitable organization that desires the property.~~
- (3) ~~The cost of delivering and transferring the property shall be paid by the successful bidding governmental unit or charitable organization receiving the property, whether that property is received through sealed, competitive bidding or through donation.~~
- (4) ~~If no acceptable bid is received from a governmental unit, the city council may offer for donation such property to the governmental units. The cost of delivering and transferring the property shall be paid by the governmental unit accepting the property.~~

Section 2-65. Disposal of surplus property by destroying or abandoning the surplus property or to persons through trade-in or auction.

~~Within the reasonable exercise of the discretion of the city council and having consideration for the best interest of the city, the value and condition of property classified as surplus, and the probability of such property being desired by prospective bidders to whom offered, Upon consideration of the factors described in Section 2-63, the city council may direct the city manager to either destroy or abandon the surplus property or to dispose of surplus property for value to any person through the following procedures:~~

- (a) ~~Destroy or abandon surplus property. Trade-in the property; or~~
- (b) ~~Dispose of surplus property for value to any person. Auction the property through either a public auction or online auction.~~
- (c) ~~Public auction. If the Property of which the city council directs the property be sold through a public auction, then the following procedures control: pursuant to this section shall be sold only to the highest responsible bidder after a request for at least three bids, or by public auction.~~
 - (1) ~~If the sale is by bid, all bids shall be submitted on bid forms provided by the city. All bids shall be executed and submitted in a sealed envelope prior to the date and time of the bid opening as advertised in the notice. It is the bidder's responsibility~~

~~to assure that the bid is delivered at the property time and place of the bid opening. Notice of the sale by bid shall be published twice, more than seven (7) days prior to the date and time of the bid opening, in a newspaper having general circulation within the city and in additional papers, if in the judgment of the city manager, the best interest of the city will better be served by the additional notices. The notice shall contain a description, the estimated value, the location where and time when the surplus property may be inspected, the name and the telephone number of the person to contact regarding the property, and the place, date and time by which the bids must be received. All auction items must be available for review to all interested parties for two weeks prior to the auction.~~

- ~~(2) If the sale is by public auction, notice thereof shall be published twice, more than seven (7) days prior to the sale, in a newspaper having general circulation within the city and in additional papers, if in the judgment of the city manager, the best interest of the city will better be served by the additional notices. The notice shall contain a description, the estimated value, the location where and time when the surplus property may be inspected, the name and the telephone number of the person to contact regarding the property, and the place, date and time when the public auction will be conducted. The city will publish an advertisement outlining the items for sale, the auction location and time to all interested parties in the local newspaper of general circulation at least 14 days prior to the auction. The city council may waive this requirement so long as notice is adequately published through electronic means in accordance with subsection (c)(3).~~
- ~~(3) The city shall advertise the auction with all the details listed in subsection (c)(2) on the City's website at least 14 days prior to the auction.~~
- ~~(4) All property sold at a public auction will be made to the highest responsible bidder.~~
- ~~(5) If a written bid is submitted, it must be received prior to the auction date and time advertised.~~
- ~~(6) All costs of transporting and delivering the auctioned item will be borne by the winning bidder.~~
- ~~(d) Online auction. If the city council direct the property be sold through an online auction, then the following procedures control:~~
 - ~~(1) All online auctions will be coordinated between the IT Director and Finance Director.~~

(2) All online auctions will be placed with a reputable and qualified online auction site that ensures transparency between the City and potential bidders.

(3) All costs of transporting and delivering the auctioned items will be borne by the winning bidder.

SECTION 4. INCORPORATION INTO CODE OF ORDINANCES.

This ordinance shall be incorporated into the City of Destin's Code of Ordinances and any section or paragraph number or letter and any heading may be changed or modified as necessary to effectuate the foregoing

SECTION 5. CONFLICTING PROVISIONS.

Special Acts of the Florida Legislature applicable to the incorporated area of the City of Destin, City Ordinances, City Resolutions, or parts thereof, conflict with the provisions of this ordinance are hereby superseded by this ordinance to the extent of such conflict.

SECTION 6. SEVERABILITY.

If any section, phrase, sentence, provision, or portion of this Ordinance is, for any reason, held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provisions, and such holding shall not affect the validity of the remaining portions thereof.

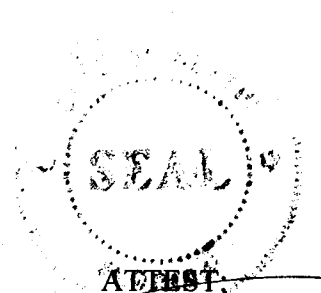
SECTION 7. EFFECTIVE DATE.

This Ordinance shall take effect immediately upon its adoption by the City Council and the signature of the mayor.

ADOPTED THIS 17TH DAY OF JANUARY 2023.
BY:



Bobby Wagner, Mayor



ATTEST



Rey Bailey, City Clerk

City of Destin
Department of Public Works
Surplus City Vehicles, Equipment, and Other
for March 18, 2024 City Council Meeting

Vehicles

Year, City ID	Make	Model	Mileage	Est. Value
2004, 04-02	Ford	F150	80000	8000
2005, 05-01	GMC	7500	13000	60000
2001, 01-B1	Cape Craft	17 ' boat	NA	5000
2000, 00-04	Vermeer	Chipper	NA	18000
2004, 00-03	John Deere	5105 Tractor	NA	9000

Equipment

Year, City ID	Item Description	Est. Value
	Stihl handheld equip, bars and chains	100
2012, 12-S1	John Deere Tractor mounted broom	2200
	Boat Trailer	2000
2004	root rake	1200
1988, 88-T5	trailer	2000

Other Items

Item Description	Est. Value
550 gallon single wall fuel tank	1700
Loose guardrail	1000
truck topper	600
FS-01 sprayer	200
08-FS1 sprayer/spreader	100
tractor tire	40
Isuzu tire and rin	100
4 Scoreboards	300
3 Filing Cabinets	20
Stairlights	150
City Hall Generator	50

CITY OF DESTIN



AGENDA ITEM

COUNCIL MEETING DATE: March 18, 2024**TYPE OF AGENDA ITEM:** Action Item**AGENDA OUTLINE NUMBER:** 3.B.**TO:** City Council**THRU:** Louis Zunguze, Interim City Manager
Kimberly Kopp, City Attorney**FROM:** Jeffrey Cozadd, Grants Manager
Krystal Strickland, Finance Director**DATE:** 3/13/2024**SUBJECT:** City of Destin Vulnerability Assessment - Dewberry Task Work Order
Amendment

I. BACKGROUND: The Resilient Florida Program within the Office of Resilience and Coastal Protection was created to help coastal and inland communities plan for the impacts of climate change, including flooding and sea level rise. The Resilient Florida Program offers grants for community planning as well as grants to implement projects that adapt to impacts associated with flooding and sea level rise.

The City was notified in February 2023 that our application was included in the 2022-2023 Resilient Florida Program Planning Grant Awards. The grant amount was \$70,000 and included the deliverables of a public outreach meeting, acquiring background data, exposure analysis, sensitivity analysis, and a final assessment report.

While the original grant amount requested focused on specific assets within the City, the current statute requires a comprehensive approach for all critical assets.

II. DISCUSSION: This Vulnerability Assessment funded by the FDEP Office of Resilience and Coastal Protection will identify critical assets the city has that are at risk of sea level rise and flooding. Critical assets include transportation and evacuation routes, critical infrastructure, critical community and emergency facilities, and natural, cultural, and historic resources.

The City submitted an additional funding request on August 10, 2023. FDEP notified the City on December 18, 2023, that our additional funding request was approved and an additional \$156,000 was awarded. With the additional funding, the study will now provide a **Comprehensive Vulnerability Assessment** and an initial **Adaptation Plan**, providing an initial framework for the City, and guidance for next steps, post the study's completion.

Additional funding will also provide sufficient resources for a second round of public engagement to allow the community to be educated on the results of the study.

Additionally, this funding allows the City to work independently of the County's study. While Okaloosa County was also awarded a similar county-wide grant last year, to the City's knowledge, this work has not yet commenced. The final **Critical Asset** database will be submitted to DEP so that the County has consistent information for their database submitted to DEP. The results of the Comprehensive Vulnerability Assessment can be used to inform the existing county Local Mitigation Strategy (LMS) and be utilized during the planning process of future county LMS Plan updates.

In summary, the Comprehensive Vulnerability Assessment will:

Meet Current Statutory Requirements for the Grant, per Section 380.093.F.S.

1. Develop an Initial Adaptation Plan:

- a. Identify opportunities for green and gray infrastructure projects
- b. Look at the current municipal code (LDC) and find opportunities to consider protecting areas in threat of future sea-level rise.

This Amendment to the original Dewberry Task Order will allow Dewberry to add additional services to their scope of work for the Vulnerability Assessment and Adaptation Plan.

Additional or enhanced services will include:

Acquiring background data - enhanced

Exposure Analysis - enhanced

Sensitivity Analysis - enhanced

Public Outreach Meeting #2 - new

Identify Focus Area - new

Final Vulnerability Assessment Report, Maps, and Tables - enhanced

Local Mitigation Strategy - new

Adaptation Plan - new

A. Link to Strategic Goals / Objectives: I. Financially sound city providing service excellence.

II. Enhanced quality of life and safety for families.

IV. Effective, efficient, and aesthetically pleasing infrastructure

VI. A green and sustainable environment

B. Effect on Budget (EOB): The Dewberry Task Work Order amendment is for an additional \$156,000, bringing the total Work Order to \$226,000.

At the February 20, 2024 Council meeting it was explained that once the FDEP contract amendment was fully executed, staff would then bring an amendment to the council for the Dewberry Work Order to adjust the scope of work and budget.

	0153800-531000-PE003
	STRMWTR-PROF SVCS-
	VULNERABILITY ASSMT
	\$ 70,000
FY 24 Adopted Budget*	70,000
Budget Amendment	156,000
Revised Budget	226,000
Previous Expenses/Encumbrances	(70,000)
Available Program Budget	156,000
This Agreement +(-)	(156,000)
FY 24 Remaining Program Budget	\$ -

C. **Level of Service (LOS)**: Level of service will be increased.

D. **Legislative Sponsor**:

III. CONCLUSION: The Vulnerability Assessment will yield valuable information that the city can use to justify further funding requests for mitigation projects dealing with sea level rise and flooding. Staff recommends that the Work Order Amendment be executed to task Dewberry with the additional work to complete the City-Wide Comprehensive Vulnerability Assessment and Adaptation Plan.

IV. RECOMMENDED MOTION: I move that the city council approve the Work Order Amendment from Dewberry to complete the City-Wide Comprehensive Vulnerability Assessment and Adaptation Plan and authorize the City manager to execute this Amendment.

Attachments:

1. Destin
VA_Task_Order_Amendment_2024-03-01
2. 23PLN64 A1 - CITY OF DESTIN
VULNERABILITY ASSESSMENT -
EXECUTED



Dewberry Engineers Inc. | 850.674.3300
20684 Central Avenue East | 850.644.3330 fax
Blountstown, FL 32424 | www.dewberry.com

March 1, 2024

Louis Zunguze, City Manager
City of Destin
4200 Indian Bayou Trail
Destin, Florida 32451

**RE: Citywide Comprehensive Vulnerability Assessment
Task Work Order Amendment for Grant Supplemental Funding
FDEP Resilient Grant Program
City of Destin, FL**

Dear Mr. Zunguze,

It is our understanding that the City has received additional funding from the Florida Department of Environmental Protection (FDEP) Resilient Florida Grant Program for the development of a citywide Comprehensive Vulnerability Assessment. The original funding request was **\$70,000** and included the deliverables of a public outreach meeting, acquiring background data, exposure analysis, sensitivity analysis, and a final assessment report. While the original grant amount requested focused on specific assets within the city, the current statute requires a comprehensive approach for all critical assets. An additional funding request was submitted on August 10, 2023. DEP notified the City on December 18, 2023, that our additional funding request was approved and an additional **\$156,000** was awarded. The new total funding amount for the proposed Citywide Comprehensive Vulnerability Assessment is **\$226,000.00**.

Dewberry Engineers Inc. (DEI) is pleased to provide this Task Order Amendment to provide planning services to complete the proposed project. **Exhibit A** contains a Task Work Order Amendment Summary and **Exhibit B** is the attached updated grant agreement from FDEP. Dewberry proposes to provide all services in the attached grant agreement for **\$226,000.00**. The associated fees are consistent with the grant amount awarded from FDEP.

If you have any questions, please contact me at rmall@dewberry.com. Thank you for the opportunity to serve City of Destin. We look forward to working with you on the successful completion of this project.

Sincerely,

A handwritten signature in blue ink, appearing to read "Rudy Mall", is positioned above the printed name.

Rudy Mall, PE
Project Manager

EXHIBIT A
CITYWIDE COMPREHENSIVE VULNERABILITY ASSESSMENT
PROFESSIONAL ENGINEERING SERVICES
FOR CITY OF DESTIN
MARCH 2024

This Task Work Order is for Dewberry Engineers Inc. as the Consultant to provide professional services for the expanded Scope of Work associated with local data collection, municipal outreach, and exposure analysis for the Comprehensive Vulnerability Assessment for City of Destin, acting by and through its Commission.

Details of the scope of work and all required deliverables for each task are provided in the attached FDEP Work Plan, and attached as **EXHIBIT B**.

Task No.	Task Title	Budget Category	DEP Amount	Match Amount	Total Amount	Task Start Date	Task Due Date
1	Kick Off Meeting	Contractual Services	\$3,500	\$0	\$3,500	7/1/2022	3/31/2025
2	Public Outreach Meetings and Local Municipal Coordination	Contractual Services	\$8,500	\$0	\$8,500	7/1/2022	3/31/2025
3	Acquire Background Data	Contractual Services	\$34,000	\$0	\$ 34,000	7/1/2022	3/31/2025
4	Exposure Analysis	Contractual Services	\$37,500	\$0	\$ 37,500	7/1/2022	3/31/2025
5	Sensitivity Analysis	Contractual Services	\$27,500	\$0	\$ 27,500	7/1/2022	3/31/2025
6	Public Outreach Meeting #2	Contractual Services	\$8,900	\$0	\$ 8,900	7/1/2022	3/31/2025
7	Identify Focus Areas	Contractual Services	\$28,300	\$0	\$ 28,300	7/1/2022	3/31/2025
8	Final Vulnerability Assessment Report, Maps, and Tables	Contractual Services	\$41,000	\$0	\$ 41,000	7/1/2022	3/31/2025
9	Local Mitigation Strategy	Contractual Services	\$6,800	\$0	\$ 6,800	7/1/2022	3/31/2025
10	Adaptation Plan	Contractual Services	\$30,000	\$0	\$ 30,000	7/1/2022	3/31/2025
Total:			\$226,000	\$0	\$226,000		

PROJECT TIMELINE, BUDGET DETAIL, and BILLING: A preliminary schedule is provided below; all tasks must be completed by, and all deliverables received by March 1, 2025, to the City. Cost-reimbursable grant funding must not exceed the budget amounts indicated below. Requests for any change(s) must be submitted before the current task due date listed in the Project Timeline. Requests are to be sent via email to the Department's Grant Manager, with the details of the request and the reason for the request made clear. This Task Work Order shall be considered a Lump Sum Agreement.

Billing will be based on the FDEP Contract Agreement. Invoices and the required supporting documentation will be submitted to the County at a minimum on quarterly intervals, but not more frequently than monthly.

REIMBURSABLE COSTS: All reimbursable fees will be charged to the appropriate task. Reimbursement for fees will be submitted with appropriate documentation, for submittal to FDEP. Fees may include costs such as mileage, travel, and reproduction of exhibits and documents for public outreach and final deliverables, as needed.

EXCLUSIONS: No engineering design, stormwater modeling, or final design is included in this scope of services. All modeling provided during planning services is limited to geospatial modeling using ESRI software and consistent with FDEP grant requirements.

PROFESSIONAL SERVICE FEES

*Dewberry Engineers Inc. proposes to provide these services for a total lump sum fee of **\$226,000.00***

IN WITNESS WHEREOF, the parties hereto have caused this Task Order to be executed by their undersigned officials as duly authorized.

DEWBERRY ENGINEERS, INC.

877 North County Highway 393
Santa Rosa Beach, FL 32459

By: 
Name and Title:
Rudy Mall, P.E., Project Manager

CITY OF DESTIN, FLORIDA

4200 Indian Bayou Trail
Destin, FL 32541

By: _____
Name and Title:
Louis Zunguze, City Manager

Witnessed:  _____

Date: 2/5/2024

Witnessed: _____

Date: _____

**AMENDMENT NO. 1
TO AGREEMENT NO. 23PLN64
BETWEEN
FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION
AND
CITY OF DESTIN**

This Amendment to Agreement No. 23PLN64 (Agreement) is made by and between the Department of Environmental Protection (Department), an agency of the State of Florida, and City of Destin (Grantee), on the date last signed below.

WHEREAS, the Department entered into the Agreement with the Grantee for the City of Destin Comprehensive Vulnerability Assessment (Project), effective September 6, 2023; and,

WHEREAS, \$156,000.00 in additional funding for this Project is provided under Line Item 1820 of the 2023-2024 General Appropriations Act; and the total funding for this Agreement is now \$226,000.00; and,

WHEREAS, the reimbursement period for the additional funding provided under Line Item 1820 of the 2023-2024 General Appropriations Act begins on July 1, 2023; and,

WHEREAS, the Department has requested to remove the Additional Terms in Attachment 2, Special Terms and Conditions; and,

WHEREAS, the Department has requested an update to the Payment Request Schedule in Attachment 3, Grant Work Plan; and,

WHEREAS, the parties have agreed to update the scope of work to the Agreement as set forth herein; and,

WHEREAS, the Department has requested an update to Attachment 1, Attachment 2, Attachment 3, Attachment 5, Exhibit H, and Exhibit I following updates from the Office of the General Counsel and Resilient Florida Program; and,

NOW THEREFORE, the Department and Grantee hereby agree as follows:

1. Section 5. of the Standard Grant Agreement is hereby revised to the following:

Total Amount of Funding:	Funding Source?	Award #s or Line Item Appropriations:	Amount per Source(s):
\$226,00.00	☒ State ☐ Federal	GAA Line Item #1776, FY 22-23	\$70,000.00
	☒ State ☐ Federal	GAA Line Item #1820, FY 23-24	\$156,000.00
	☐ Grantee Match		
Total Amount of Funding + Grantee Match, if any:			\$226,000.00

2. Attachment 1, Standard Terms and Conditions, is hereby deleted in its entirety and replaced with Attachment 1-A, Revised Standard Terms and Conditions, attached hereto and made a part of the Agreement. All references in the Agreement to Attachment 1 shall hereinafter refer to Attachment 1-A, Revised Standard Terms and Conditions.
3. Attachment 2, Special Terms and Conditions, is hereby deleted in its entirety and replaced with Attachment 2-A, Revised Special Terms and Conditions, attached hereto and made a part of the Agreement. All references in the Agreement to Attachment 2 shall hereinafter refer to Attachment 2-A, Revised Special Terms and Conditions.

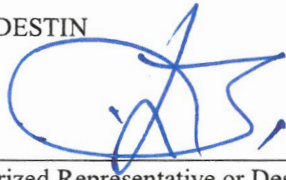
4. Attachment 3, Grant Work Plan, is hereby deleted in its entirety and replaced with Attachment 3-A, Revised Grant Work Plan, as attached to this Amendment and hereby incorporated into the Agreement. All references in the Agreement to Attachment 3 shall hereinafter refer to Attachment 3-A, Revised Grant Work Plan.
5. Attachment 5, Special Audit Requirements, is hereby deleted in its entirety and replaced with Attachment 5-A, Revised Special Audit Requirements, attached hereto and made a part of the Agreement. All references in the Agreement to Attachment 5, shall hereinafter refer to Attachment 5-A, Revised Special Audit Requirements.
6. Exhibit H, Contractual Services Certification, is hereby deleted in its entirety and replaced with Exhibit H-1, Revised Contractual Services Certification, attached hereto and made a part of the Agreement. All references in the Agreement to Exhibit H, shall hereinafter refer to Exhibit H-1, Revised Contractual Services Certification.
7. Exhibit I, Vulnerability Assessment Compliance Checklist Certification, is hereby deleted in its entirety and replaced with Exhibit I-1, Revised Vulnerability Assessment Compliance Checklist Certification, attached hereto and made a part of the Agreement. All references in the Agreement to Exhibit I, shall hereinafter refer to Exhibit I-1, Revised Vulnerability Assessment Compliance Checklist Certification.
8. All other terms and conditions of the Agreement remain in effect. If and to the extent that any inconsistency may appear between the Agreement and this Amendment, the provisions of this Amendment shall control.

REMAINDER OF PAGE INTENTIONALLY LEFT BLANK

The parties agree to the terms and conditions of this Amendment and have duly authorized their respective representatives to sign it on the dates indicated below.

CITY OF DESTIN

FLORIDA DEPARTMENT OF
ENVIRONMENTAL PROTECTION

By:  2/22/2024

Authorized Representative or Designee

By: 

Secretary or Designee

Louis Zunguze, City Manager

Print Name and Title

Alex Reed, Director

Print Name and Title

Date: 2/22/2024

Date: 2/27/2024

List of attachments/exhibits included as part of this Amendment:

Specify Type	Letter/ Number	Description
Attachment	1-A	Revised Standard Terms and Conditions (13 pages)
Attachment	2-A	Revised Special Terms and Conditions (3 pages)
Attachment	3-A	Revised Grant Work Plan (6 pages)
Attachment	5-A	Revised Special Audit Requirements (7 pages)
Exhibit	H-1	Revised Contractual Services Certification (1 page)
Exhibit	I-1	Revised Vulnerability Assessment Compliance Checklist Certification (3 pages)

**STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL PROTECTION
REVISED STANDARD TERMS AND CONDITIONS
APPLICABLE TO GRANT AGREEMENTS**

ATTACHMENT 1-A

1. Entire Agreement.

This Grant Agreement, including any Attachments and Exhibits referred to herein and/or attached hereto (Agreement), constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior agreements, whether written or oral, with respect to such subject matter. Any terms and conditions included on Grantee's forms or invoices shall be null and void.

2. Grant Administration.

- a. Order of Precedence. If there are conflicting provisions among the documents that make up the Agreement, the order of precedence for interpretation of the Agreement is as follows:
 - i. Standard Grant Agreement
 - ii. Attachments other than Attachment 1, in numerical order as designated in the Standard Grant Agreement
 - iii. Attachment 1, Standard Terms and Conditions
 - iv. The Exhibits in the order designated in the Standard Grant Agreement
- b. All approvals, written or verbal, and other written communication among the parties, including all notices, shall be obtained by or sent to the parties' Grant Managers. All written communication shall be by electronic mail, U.S. Mail, a courier delivery service, or delivered in person. Notices shall be considered delivered when reflected by an electronic mail read receipt, a courier service delivery receipt, other mail service delivery receipt, or when receipt is acknowledged by recipient. If the notice is delivered in multiple ways, the notice will be considered delivered at the earliest delivery time.
- c. If a different Grant Manager is designated by either party after execution of this Agreement, notice of the name and contact information of the new Grant Manager will be submitted in writing to the other party and maintained in the respective parties' records. A change of Grant Manager does not require a formal amendment or change order to the Agreement.
- d. This Agreement may be amended, through a formal amendment or a change order, only by a written agreement between both parties. A formal amendment to this Agreement is required for changes which cause any of the following:
 - (1) an increase or decrease in the Agreement funding amount;
 - (2) a change in Grantee's match requirements;
 - (3) a change in the expiration date of the Agreement; and/or
 - (4) changes to the cumulative amount of funding transfers between approved budget categories, as defined in Attachment 3, Grant Work Plan, that exceeds or is expected to exceed twenty percent (20%) of the total budget as last approved by Department.A change order to this Agreement may be used when:
 - (1) task timelines within the current authorized Agreement period change;
 - (2) the cumulative transfer of funds between approved budget categories, as defined in Attachment 3, Grant Work Plan, are less than twenty percent (20%) of the total budget as last approved by Department;
 - (3) changing the current funding source as stated in the Standard Grant Agreement; and/or
 - (4) fund transfers between budget categories for the purposes of meeting match requirements.This Agreement may be amended to provide for additional services if additional funding is made available by the Legislature.
- e. All days in this Agreement are calendar days unless otherwise specified.

3. Agreement Duration.

The term of the Agreement shall begin and end on the dates indicated in the Standard Grant Agreement, unless extended or terminated earlier in accordance with the applicable terms and conditions. The Grantee shall be eligible for reimbursement for work performed on or after the date of execution through the expiration date of this Agreement, unless otherwise specified in Attachment 2, Special Terms and Conditions. However, work performed prior to the execution of this Agreement may be reimbursable or used for match purposes if permitted by the Special Terms and Conditions.

4. Deliverables.

The Grantee agrees to render the services or other units of deliverables as set forth in Attachment 3, Grant Work Plan. The services or other units of deliverables shall be delivered in accordance with the schedule and at the pricing outlined in the Grant Work Plan. Deliverables may be comprised of activities that must be completed prior to Department making payment on that deliverable. The Grantee agrees to perform in accordance with the terms and conditions set forth in this Agreement and all attachments and exhibits incorporated by the Standard Grant Agreement.

5. Performance Measures.

The Grantee warrants that: (1) the services will be performed by qualified personnel; (2) the services will be of the kind and quality described in the Grant Work Plan; (3) the services will be performed in a professional and workmanlike manner in accordance with industry standards and practices; (4) the services shall not and do not knowingly infringe upon the intellectual property rights, or any other proprietary rights, of any third party; and (5) its employees, subcontractors, and/or subgrantees shall comply with any security and safety requirements and processes, if provided by Department, for work done at the Project Location(s). The Department reserves the right to investigate or inspect at any time to determine whether the services or qualifications offered by Grantee meet the Agreement requirements. Notwithstanding any provisions herein to the contrary, written acceptance of a particular deliverable does not foreclose Department's remedies in the event deficiencies in the deliverable cannot be readily measured at the time of delivery.

6. Acceptance of Deliverables.

- a. Acceptance Process. All deliverables must be received and accepted in writing by Department's Grant Manager before payment. The Grantee shall work diligently to correct all deficiencies in the deliverable that remain outstanding, within a reasonable time at Grantee's expense. If Department's Grant Manager does not accept the deliverables within 30 days of receipt, they will be deemed rejected.
- b. Rejection of Deliverables. The Department reserves the right to reject deliverables, as outlined in the Grant Work Plan, as incomplete, inadequate, or unacceptable due, in whole or in part, to Grantee's lack of satisfactory performance under the terms of this Agreement. The Grantee's efforts to correct the rejected deliverables will be at Grantee's sole expense. Failure to fulfill the applicable technical requirements or complete all tasks or activities in accordance with the Grant Work Plan will result in rejection of the deliverable and the associated invoice. Payment for the rejected deliverable will not be issued unless the rejected deliverable is made acceptable to Department in accordance with the Agreement requirements. The Department, at its option, may allow additional time within which Grantee may remedy the objections noted by Department. The Grantee's failure to make adequate or acceptable deliverables after a reasonable opportunity to do so shall constitute an event of default.

7. Financial Consequences for Nonperformance.

- a. Withholding Payment. In addition to the specific consequences explained in the Grant Work Plan and/or Special Terms and Conditions, the State of Florida (State) reserves the right to withhold payment when the Grantee has failed to perform/comply with provisions of this Agreement. None of the financial consequences for nonperformance in this Agreement as more fully described in the Grant Work Plan shall be considered penalties.
- b. Invoice reduction
If Grantee does not meet a deadline for any deliverable, the Department will reduce the invoice by 1% for each day the deadline is missed, unless an extension is approved in writing by the Department.
- c. Corrective Action Plan. If Grantee fails to correct all the deficiencies in a rejected deliverable within the specified timeframe, Department may, in its sole discretion, request that a proposed Corrective Action Plan (CAP) be submitted by Grantee to Department. The Department requests that Grantee specify the outstanding deficiencies in the CAP. All CAPs must be able to be implemented and performed in no more than sixty (60) calendar days.
 - i. The Grantee shall submit a CAP within ten (10) days of the date of the written request from Department. The CAP shall be sent to the Department's Grant Manager for review and approval. Within ten (10) days of receipt of a CAP, Department shall notify Grantee in writing whether the CAP proposed has been accepted. If the CAP is not accepted, Grantee shall have ten (10) days from receipt of Department letter rejecting the proposal to submit a revised proposed CAP. Failure to obtain Department approval of a CAP as specified above may result in Department's termination of this Agreement for cause as authorized in this Agreement.
 - ii. Upon Department's notice of acceptance of a proposed CAP, Grantee shall have ten (10) days to commence implementation of the accepted plan. Acceptance of the proposed CAP by Department does not relieve Grantee of any of its obligations under the Agreement. In the event the CAP fails to correct or eliminate performance deficiencies by Grantee, Department shall retain the right to

require additional or further remedial steps, or to terminate this Agreement for failure to perform. No actions approved by Department or steps taken by Grantee shall preclude Department from subsequently asserting any deficiencies in performance. The Grantee shall continue to implement the CAP until all deficiencies are corrected. Reports on the progress of the CAP will be made to Department as requested by Department's Grant Manager.

- iii. Failure to respond to a Department request for a CAP or failure to correct a deficiency in the performance of the Agreement as specified by Department may result in termination of the Agreement.

8. Payment.

- a. Payment Process. Subject to the terms and conditions established by the Agreement, the pricing per deliverable established by the Grant Work Plan, and the billing procedures established by Department, Department agrees to pay Grantee for services rendered in accordance with section 215.422, Florida Statutes (F.S.).
- b. Taxes. The Department is exempted from payment of State sales, use taxes and Federal excise taxes. The Grantee, however, shall not be exempted from paying any taxes that it is subject to, including State sales and use taxes, or for payment by Grantee to suppliers for taxes on materials used to fulfill its contractual obligations with Department. The Grantee shall not use Department's exemption number in securing such materials. The Grantee shall be responsible and liable for the payment of all its FICA/Social Security and other taxes resulting from this Agreement.
- c. Maximum Amount of Agreement. The maximum amount of compensation under this Agreement, without an amendment, is described in the Standard Grant Agreement. Any additional funds necessary for the completion of this Project are the responsibility of Grantee.
- d. Reimbursement for Costs. The Grantee shall be paid on a cost reimbursement basis for all eligible Project costs upon the completion, submittal, and approval of each deliverable identified in the Grant Work Plan. Reimbursement shall be requested on Exhibit C, Payment Request Summary Form. To be eligible for reimbursement, costs must be in compliance with laws, rules, and regulations applicable to expenditures of State funds, including, but not limited to, the Reference Guide for State Expenditures, which can be accessed at the following web address: <https://www.myfloridacfo.com/docs-sf/accounting-and-auditing-libraries/state-agencies/reference-guide-for-state-expenditures.pdf>.
- e. Rural Communities and Rural Areas of Opportunity. If Grantee is a county or municipality that qualifies as a "rural community" or "rural area of opportunity" (RAO) as defined in subsection 288.0656(2), F.S., such Grantee may request from the Department that all invoice payments (i.e., cost reimbursement) under this Agreement be directed to the relevant county or municipality or to the RAO itself. The Department will agree to Grantee's request if:
 - i. Grantee demonstrates that it is a county or municipality that qualifies as a "rural community" or "rural area of opportunity" under subsection 288.0656(2), F.S.;
 - ii. Grantee demonstrates current financial hardship using one (1) or more of the "economic distress" factors defined in subsection 288.0656(2)(c), F.S.;
 - iii. Grantee's performance has been verified by the Department, which has determined that Grantee is eligible for cost reimbursement and that Grantee's performance has been completed in accordance with this Agreement's terms and conditions; and
 - iv. Applicable federal and state law(s), rule(s) and regulation(s) allow for such payments.This subsection may not be construed to alter or limit any other applicable provisions of federal or state law, rule, or regulation. A current list of Florida's designated RAOs can be accessed at the following web address: <https://floridajobs.org/community-planning-and-development/rural-community-programs/rural-areas-of-opportunity>.
- f. Invoice Detail. All charges for services rendered or for reimbursement of expenses authorized by Department pursuant to the Grant Work Plan shall be submitted to Department in sufficient detail for a proper pre-audit and post-audit to be performed. The Grantee shall only invoice Department for deliverables that are completed in accordance with the Grant Work Plan.
- g. State Funds Documentation. Pursuant to section 216.1366, F.S., if Contractor meets the definition of a non-profit organization under section 215.97(2)(m), F.S., Contractor must provide the Department with documentation that indicates the amount of state funds:
 - i. Allocated to be used during the full term of the contract or agreement for remuneration to any member of the board of directors or an officer of Contractor.
 - ii. Allocated under each payment by the public agency to be used for remuneration of any member of the board of directors or an officer of the Contractor.

The documentation must indicate the amounts and recipients of the remuneration. Such information must be posted on the State's contract tracking system and maintained pursuant to section 215.985, F.S., and must be posted on the Contractor's website, if Contractor maintains a website.

- h. Interim Payments. Interim payments may be made by Department, at its discretion, if the completion of deliverables to date have first been accepted in writing by Department's Grant Manager.
- i. Final Payment Request. A final payment request should be submitted to Department no later than sixty (60) days following the expiration date of the Agreement to ensure the availability of funds for payment. However, all work performed pursuant to the Grant Work Plan must be performed on or before the expiration date of the Agreement.
- j. Annual Appropriation Contingency. The State's performance and obligation to pay under this Agreement is contingent upon an annual appropriation by the Legislature. This Agreement is not a commitment of future appropriations. Authorization for continuation and completion of work and any associated payments may be rescinded, with proper notice, at the discretion of Department if the Legislature reduces or eliminates appropriations.
- k. Interest Rates. All interest rates charged under the Agreement shall be calculated on the prevailing rate used by the State Board of Administration. To obtain the applicable interest rate, please refer to: <https://www.myfloridacfo.com/division/aa/local-governments/judgement-interest-rates>.
- l. Refund of Payments to the Department. Any balance of unobligated funds that have been advanced or paid must be refunded to Department. Any funds paid in excess of the amount to which Grantee or subgrantee is entitled under the terms of the Agreement must be refunded to Department. If this Agreement is funded with federal funds and the Department is required to refund the federal government, the Grantee shall refund the Department its share of those funds.

9. Documentation Required for Cost Reimbursement Grant Agreements and Match.

If Cost Reimbursement or Match is authorized in Attachment 2, Special Terms and Conditions, the following conditions apply. Supporting documentation must be provided to substantiate cost reimbursement or match requirements for the following budget categories:

- a. Salary/Wages. Grantee shall list personnel involved, position classification, direct salary rates, and hours spent on the Project in accordance with Attachment 3, Grant Work Plan in their documentation for reimbursement or match requirements.
- b. Overhead/Indirect/General and Administrative Costs. If Grantee is being reimbursed for or claiming match for multipliers, all multipliers used (i.e., fringe benefits, overhead, indirect, and/or general and administrative rates) shall be supported by audit. If Department determines that multipliers charged by Grantee exceeded the rates supported by audit, Grantee shall be required to reimburse such funds to Department within thirty (30) days of written notification. Interest shall be charged on the excessive rate.
- c. Contractual Costs (Subcontractors). Match or reimbursement requests for payments to subcontractors must be substantiated by copies of invoices with backup documentation identical to that required from Grantee. Subcontracts which involve payments for direct salaries shall clearly identify the personnel involved, salary rate per hour, and hours spent on the Project. All eligible multipliers used (i.e., fringe benefits, overhead, indirect, and/or general and administrative rates) shall be supported by audit. If Department determines that multipliers charged by any subcontractor exceeded the rates supported by audit, Grantee shall be required to reimburse such funds to Department within thirty (30) days of written notification. Interest shall be charged on the excessive rate. Nonconsumable and/or nonexpendable personal property or equipment costing \$5,000 or more purchased for the Project under a subcontract is subject to the requirements set forth in chapters 273 and/or 274, F.S., and Chapter 69I-72, Florida Administrative Code (F.A.C.) and/or Chapter 69I-73, F.A.C., as applicable. The Grantee shall be responsible for maintaining appropriate property records for any subcontracts that include the purchase of equipment as part of the delivery of services. The Grantee shall comply with this requirement and ensure its subcontracts issued under this Agreement, if any, impose this requirement, in writing, on its subcontractors.
 - i. For fixed-price (vendor) subcontracts, the following provisions shall apply: The Grantee may award, on a competitive basis, fixed-price subcontracts to consultants/contractors in performing the work described in Attachment 3, Grant Work Plan. Invoices submitted to Department for fixed-price subcontracted activities shall be supported with a copy of the subcontractor's invoice and a copy of the tabulation form for the competitive procurement process (e.g., Invitation to Bid, Request for Proposals, or other similar competitive procurement document) resulting in the fixed-price subcontract. The Grantee may request approval from Department to award a fixed-price subcontract resulting from procurement methods other than those identified above. In this instance, Grantee shall request the advance written approval from Department's Grant Manager of the fixed price

- negotiated by Grantee. The letter of request shall be supported by a detailed budget and Scope of Services to be performed by the subcontractor. Upon receipt of Department Grant Manager's approval of the fixed-price amount, Grantee may proceed in finalizing the fixed-price subcontract.
- ii. If the procurement is subject to the Consultant's Competitive Negotiation Act under section 287.055, F.S. or the Brooks Act, Grantee must provide documentation clearly evidencing it has complied with the statutory or federal requirements.
 - d. Travel. All requests for match or reimbursement of travel expenses shall be in accordance with section 112.061, F.S.
 - e. Direct Purchase Equipment. For the purposes of this Agreement, Equipment is defined as capital outlay costing \$5,000 or more. Match or reimbursement for Grantee's direct purchase of equipment is subject to specific approval of Department, and does not include any equipment purchased under the delivery of services to be completed by a subcontractor. Include copies of invoices or receipts to document purchases, and a properly completed Exhibit B, Property Reporting Form.
 - f. Rental/Lease of Equipment. Match or reimbursement requests for rental/lease of equipment must include copies of invoices or receipts to document charges.
 - g. Miscellaneous/Other Expenses. If miscellaneous or other expenses, such as materials, supplies, non-excluded phone expenses, reproduction, or mailing, are reimbursable or available for match or reimbursement under the terms of this Agreement, the documentation supporting these expenses must be itemized and include copies of receipts or invoices. Additionally, independent of Grantee's contract obligations to its subcontractor, Department shall not reimburse any of the following types of charges: cell phone usage; attorney's fees or court costs; civil or administrative penalties; or handling fees, such as set percent overages associated with purchasing supplies or equipment.
 - h. Land Acquisition. Reimbursement for the costs associated with acquiring interest and/or rights to real property (including access rights through ingress/egress easements, leases, license agreements, or other site access agreements; and/or obtaining record title ownership of real property through purchase) must be supported by the following, as applicable: Copies of Property Appraisals, Environmental Site Assessments, Surveys and Legal Descriptions, Boundary Maps, Acreage Certification, Title Search Reports, Title Insurance, Closing Statements/Documents, Deeds, Leases, Easements, License Agreements, or other legal instrument documenting acquired property interest and/or rights. If land acquisition costs are used to meet match requirements, Grantee agrees that those funds shall not be used as match for any other Agreement supported by State or Federal funds.

10. Status Reports.

The Grantee shall submit status reports quarterly, unless otherwise specified in the Attachments, on Exhibit A, Progress Report Form, to Department's Grant Manager describing the work performed during the reporting period, problems encountered, problem resolutions, scheduled updates, and proposed work for the next reporting period. Quarterly status reports are due no later than twenty (20) days following the completion of the quarterly reporting period. For the purposes of this reporting requirement, the quarterly reporting periods end on March 31, June 30, September 30 and December 31. The Department will review the required reports submitted by Grantee within thirty (30) days.

11. Retainage.

The following provisions apply if Department withholds retainage under this Agreement:

- a. The Department reserves the right to establish the amount and application of retainage on the work performed under this Agreement up to the maximum percentage described in Attachment 2, Special Terms and Conditions. Retainage may be withheld from each payment to Grantee pending satisfactory completion of work and approval of all deliverables.
- b. If Grantee fails to perform the requested work or fails to perform the work in a satisfactory manner, Grantee shall forfeit its right to payment of the retainage associated with the work. Failure to perform includes, but is not limited to, failure to submit the required deliverables or failure to provide adequate documentation that the work was actually performed. The Department shall provide written notification to Grantee of the failure to perform that shall result in retainage forfeiture. If the Grantee does not correct the failure to perform within the timeframe stated in Department's notice, the retainage will be forfeited to Department.
- c. No retainage shall be released or paid for incomplete work while this Agreement is suspended.
- d. Except as otherwise provided above, Grantee shall be paid the retainage associated with the work, provided Grantee has completed the work and submits an invoice for retainage held in accordance with the invoicing procedures under this Agreement.

12. Insurance.

- a. Insurance Requirements for Sub-Grantees and/or Subcontractors. The Grantee shall require its sub-grantees and/or subcontractors, if any, to maintain insurance coverage of such types and with such terms and limits as described in this Agreement. The Grantee shall require all its sub-grantees and/or subcontractors, if any, to make compliance with the insurance requirements of this Agreement a condition of all contracts that are related to this Agreement. Sub-grantees and/or subcontractors must provide proof of insurance upon request.
- b. Deductibles. The Department shall be exempt from, and in no way liable for, any sums of money representing a deductible in any insurance policy. The payment of such deductible shall be the sole responsibility of the Grantee providing such insurance.
- c. Proof of Insurance. Upon execution of this Agreement, Grantee shall provide Department documentation demonstrating the existence and amount for each type of applicable insurance coverage *prior to* performance of any work under this Agreement. Upon receipt of written request from Department, Grantee shall furnish Department with proof of applicable insurance coverage by standard form certificates of insurance, a self-insured authorization, or other certification of self-insurance.
- d. Duty to Maintain Coverage. In the event that any applicable coverage is cancelled by the insurer for any reason, or if Grantee cannot get adequate coverage, Grantee shall immediately notify Department of such cancellation and shall obtain adequate replacement coverage conforming to the requirements herein and provide proof of such replacement coverage within ten (10) days after the cancellation of coverage.
- e. Insurance Trust. If the Grantee's insurance is provided through an insurance trust, the Grantee shall instead add the Department of Environmental Protection, its employees, and officers as an additional covered party everywhere the Agreement requires them to be added as an additional insured.

13. Termination.

- a. Termination for Convenience. When it is in the State's best interest, Department may, at its sole discretion, terminate the Agreement in whole or in part by giving 30 days' written notice to Grantee. The Department shall notify Grantee of the termination for convenience with instructions as to the effective date of termination or the specific stage of work at which the Agreement is to be terminated. The Grantee must submit all invoices for work to be paid under this Agreement within thirty (30) days of the effective date of termination. The Department shall not pay any invoices received after thirty (30) days of the effective date of termination.
- b. Termination for Cause. The Department may terminate this Agreement if any of the events of default described in the Events of Default provisions below occur or in the event that Grantee fails to fulfill any of its other obligations under this Agreement. If, after termination, it is determined that Grantee was not in default, or that the default was excusable, the rights and obligations of the parties shall be the same as if the termination had been issued for the convenience of Department. The rights and remedies of Department in this clause are in addition to any other rights and remedies provided by law or under this Agreement.
- c. Grantee Obligations upon Notice of Termination. After receipt of a notice of termination or partial termination unless as otherwise directed by Department, Grantee shall not furnish any service or deliverable on the date, and to the extent specified, in the notice. However, Grantee shall continue work on any portion of the Agreement not terminated. If the Agreement is terminated before performance is completed, Grantee shall be paid only for that work satisfactorily performed for which costs can be substantiated. The Grantee shall not be entitled to recover any cancellation charges or lost profits.
- d. Continuation of Prepaid Services. If Department has paid for any services prior to the expiration, cancellation, or termination of the Agreement, Grantee shall continue to provide Department with those services for which it has already been paid or, at Department's discretion, Grantee shall provide a refund for services that have been paid for but not rendered.
- e. Transition of Services Upon Termination, Expiration, or Cancellation of the Agreement. If services provided under the Agreement are being transitioned to another provider(s), Grantee shall assist in the smooth transition of Agreement services to the subsequent provider(s). This requirement is at a minimum an affirmative obligation to cooperate with the new provider(s), however additional requirements may be outlined in the Grant Work Plan. The Grantee shall not perform any services after Agreement expiration or termination, except as necessary to complete the transition or continued portion of the Agreement, if any.

14. Notice of Default.

If Grantee defaults in the performance of any covenant or obligation contained in the Agreement, including, any of the events of default, Department shall provide notice to Grantee and an opportunity to cure that is reasonable under the circumstances. This notice shall state the nature of the failure to perform and provide a time certain for correcting the failure. The notice will also provide that, should the Grantee fail to perform within the time provided, Grantee will be found in default, and Department may terminate the Agreement effective as of the date of receipt of the default notice.

15. Events of Default.

Provided such failure is not the fault of Department or outside the reasonable control of Grantee, the following non-exclusive list of events, acts, or omissions, shall constitute events of default:

- a. The commitment of any material breach of this Agreement by Grantee, including failure to timely deliver a material deliverable, failure to perform the minimal level of services required for a deliverable, discontinuance of the performance of the work, failure to resume work that has been discontinued within a reasonable time after notice to do so, or abandonment of the Agreement;
- b. The commitment of any material misrepresentation or omission in any materials, or discovery by the Department of such, made by the Grantee in this Agreement or in its application for funding;
- c. Failure to submit any of the reports required by this Agreement or having submitted any report with incorrect, incomplete, or insufficient information;
- d. Failure to honor any term of the Agreement;
- e. Failure to abide by any statutory, regulatory, or licensing requirement, including an entry of an order revoking the certificate of authority granted to the Grantee by a state or other licensing authority;
- f. Failure to pay any and all entities, individuals, and furnishing labor or materials, or failure to make payment to any other entities as required by this Agreement;
- g. Employment of an unauthorized alien in the performance of the work, in violation of Section 274 (A) of the Immigration and Nationality Act;
- h. Failure to maintain the insurance required by this Agreement;
- i. One or more of the following circumstances, uncorrected for more than thirty (30) days unless, within the specified 30-day period, Grantee (including its receiver or trustee in bankruptcy) provides to Department adequate assurances, reasonably acceptable to Department, of its continuing ability and willingness to fulfill its obligations under the Agreement:
 - i. Entry of an order for relief under Title 11 of the United States Code;
 - ii. The making by Grantee of a general assignment for the benefit of creditors;
 - iii. The appointment of a general receiver or trustee in bankruptcy of Grantee's business or property; and/or
 - iv. An action by Grantee under any state insolvency or similar law for the purpose of its bankruptcy, reorganization, or liquidation.

16. Suspension of Work.

The Department may, in its sole discretion, suspend any or all activities under the Agreement, at any time, when it is in the best interest of the State to do so. The Department shall provide Grantee written notice outlining the particulars of suspension. Examples of reasons for suspension include, but are not limited to, budgetary constraints, declaration of emergency, or other such circumstances. After receiving a suspension notice, Grantee shall comply with the notice. Within 90 days, or any longer period agreed to by the parties, Department shall either: (1) issue a notice authorizing resumption of work, at which time activity shall resume; or (2) terminate the Agreement. If the Agreement is terminated after 30 days of suspension, the notice of suspension shall be deemed to satisfy the thirty (30) days' notice required for a notice of termination for convenience. Suspension of work shall not entitle Grantee to any additional compensation.

17. Force Majeure.

The Grantee shall not be responsible for delay resulting from its failure to perform if neither the fault nor the negligence of Grantee or its employees or agents contributed to the delay and the delay is due directly to acts of God, wars, acts of public enemies, strikes, fires, floods, or other similar cause wholly beyond Grantee's control, or for any of the foregoing that affect subcontractors or suppliers if no alternate source of supply is available to Grantee. In case of any delay Grantee believes is excusable, Grantee shall notify Department in writing of the delay or potential delay and describe the cause of the delay either (1) within ten days after the cause that creates or will create the delay first arose, if Grantee could reasonably foresee that a delay could occur as a result; or (2) if delay is not reasonably foreseeable, within five days after the date Grantee first had reason to believe that a delay could result. **THE FOREGOING SHALL CONSTITUTE THE GRANTEE'S SOLE REMEDY OR EXCUSE WITH RESPECT TO DELAY.** Providing notice in strict accordance with this paragraph is a condition precedent to such remedy. No claim for damages, other than for an extension of time, shall be asserted against Department. The Grantee shall not be entitled to an increase in the Agreement price or payment of any kind from Department for direct, indirect, consequential, impact or other costs, expenses or damages, including but not limited to costs of acceleration or inefficiency, arising because of delay, disruption, interference, or hindrance from any cause whatsoever. If performance is suspended or delayed, in whole or in part, due to any of the causes described in this paragraph, after the causes have ceased to exist Grantee shall perform at no increased cost, unless Department determines, in its sole

discretion, that the delay will significantly impair the value of the Agreement to Department, in which case Department may: (1) accept allocated performance or deliveries from Grantee, provided that Grantee grants preferential treatment to Department with respect to products subjected to allocation; (2) contract with other sources (without recourse to and by Grantee for the related costs and expenses) to replace all or part of the products or services that are the subject of the delay, which purchases may be deducted from the Agreement quantity; or (3) terminate Agreement in whole or in part.

18. Indemnification.

- a. The Grantee shall be fully liable for the actions of its agents, employees, partners, or subcontractors and shall fully indemnify, defend, and hold harmless Department and its officers, agents, and employees, from suits, actions, damages, and costs of every name and description arising from or relating to:
 - i. personal injury and damage to real or personal tangible property alleged to be caused in whole or in part by Grantee, its agents, employees, partners, or subcontractors; provided, however, that Grantee shall not indemnify for that portion of any loss or damages proximately caused by the negligent act or omission of Department;
 - ii. the Grantee's breach of this Agreement or the negligent acts or omissions of Grantee.
- b. The Grantee's obligations under the preceding paragraph with respect to any legal action are contingent upon Department giving Grantee: (1) written notice of any action or threatened action; (2) the opportunity to take over and settle or defend any such action at Grantee's sole expense; and (3) assistance in defending the action at Grantee's sole expense. The Grantee shall not be liable for any cost, expense, or compromise incurred or made by Department in any legal action without Grantee's prior written consent, which shall not be unreasonably withheld.
- c. Notwithstanding sections a. and b. above, the following is the sole indemnification provision that applies to Grantees that are governmental entities: Each party hereto agrees that it shall be solely responsible for the negligent or wrongful acts of its employees and agents. However, nothing contained herein shall constitute a waiver by either party of its sovereign immunity or the provisions of section 768.28, F.S. Further, nothing herein shall be construed as consent by a state agency or subdivision of the State to be sued by third parties in any matter arising out of any contract or this Agreement.
- d. No provision in this Agreement shall require Department to hold harmless or indemnify Grantee, insure or assume liability for Grantee's negligence, waive Department's sovereign immunity under the laws of Florida, or otherwise impose liability on Department for which it would not otherwise be responsible. Any provision, implication or suggestion to the contrary is null and void.

19. Limitation of Liability.

The Department's liability for any claim arising from this Agreement is limited to compensatory damages in an amount no greater than the sum of the unpaid balance of compensation due for goods or services rendered pursuant to and in compliance with the terms of the Agreement. Such liability is further limited to a cap of \$100,000.

20. Remedies.

Nothing in this Agreement shall be construed to make Grantee liable for force majeure events. Nothing in this Agreement, including financial consequences for nonperformance, shall limit Department's right to pursue its remedies for other types of damages under the Agreement, at law or in equity. The Department may, in addition to other remedies available to it, at law or in equity and upon notice to Grantee, retain such monies from amounts due Grantee as may be necessary to satisfy any claim for damages, penalties, costs and the like asserted by or against it.

21. Waiver.

The delay or failure by Department to exercise or enforce any of its rights under this Agreement shall not constitute or be deemed a waiver of Department's right thereafter to enforce those rights, nor shall any single or partial exercise of any such right preclude any other or further exercise thereof or the exercise of any other right.

22. Statutory Notices Relating to Unauthorized Employment and Subcontracts.

- a. The Department shall consider the employment by any Grantee of unauthorized aliens a violation of Section 274A(e) of the Immigration and Nationality Act. If Grantee/subcontractor knowingly employs unauthorized aliens, such violation shall be cause for unilateral cancellation of this Agreement. The Grantee shall be responsible for including this provision in all subcontracts with private organizations issued as a result of this Agreement.
- b. Pursuant to sections 287.133, 287.134, and 287.137 F.S., the following restrictions apply to persons placed on the convicted vendor list, discriminatory vendor list, or the antitrust violator vendor list:
 - i. Public Entity Crime. A person or affiliate who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a bid, proposal, or reply on a contract to provide any goods or services to a public entity; may not submit a bid, proposal, or reply on a contract with a public entity for the construction or repair of a public building or public work; may

not submit bids, proposals, or replies on leases of real property to a public entity; may not be awarded or perform work as a Grantee, supplier, subcontractor, or consultant under a contract with any public entity; and may not transact business with any public entity in excess of the threshold amount provided in section 287.017, F.S., for CATEGORY TWO for a period of 36 months following the date of being placed on the convicted vendor list.

- ii. Discriminatory Vendors. An entity or affiliate who has been placed on the discriminatory vendor list may not submit a bid, proposal, or reply on a contract to provide any goods or services to a public entity; may not submit a bid, proposal, or reply on a contract with a public entity for the construction or repair of a public building or public work; may not submit bids, proposals, or replies on leases of real property to a public entity; may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity; and may not transact business with any public entity.
- iii. Antitrust Violator Vendors. A person or an affiliate who has been placed on the antitrust violator vendor list following a conviction or being held civilly liable for an antitrust violation may not submit a bid, proposal, or reply on any contract to provide any good or services to a public entity; may not submit a bid, proposal, or reply on any contract with a public entity for the construction or repair of a public building or public work; may not submit a bid, proposal, or reply on leases of real property to a public entity; may not be awarded or perform work as a Grantee, supplier, subcontractor, or consultant under a contract with a public entity; and may not transact new business with a public entity.
- iv. Notification. The Grantee shall notify Department if it or any of its suppliers, subcontractors, or consultants have been placed on the convicted vendor list, the discriminatory vendor list, or antitrust violator vendor list during the life of the Agreement. The Florida Department of Management Services is responsible for maintaining the discriminatory vendor list and the antitrust violator vendor list and posts the list on its website. Questions regarding the discriminatory vendor list or antitrust violator vendor list may be directed to the Florida Department of Management Services, Office of Supplier Diversity, at (850) 487-0915.

23. Compliance with Federal, State and Local Laws.

- a. The Grantee and all its agents shall comply with all federal, state and local regulations, including, but not limited to, nondiscrimination, wages, social security, workers' compensation, licenses, and registration requirements. The Grantee shall include this provision in all subcontracts issued as a result of this Agreement.
- b. No person, on the grounds of race, creed, color, religion, national origin, age, gender, or disability, shall be excluded from participation in; be denied the proceeds or benefits of; or be otherwise subjected to discrimination in performance of this Agreement.
- c. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida.
- d. Any dispute concerning performance of the Agreement shall be processed as described herein. Jurisdiction for any damages arising under the terms of the Agreement will be in the courts of the State, and venue will be in the Second Judicial Circuit, in and for Leon County. Except as otherwise provided by law, the parties agree to be responsible for their own attorney fees incurred in connection with disputes arising under the terms of this Agreement.

24. Build America, Buy America Act (BABA) - Infrastructure Projects with Federal Funding.

This provision does not apply to Agreements that are wholly funded by Coronavirus State and Local Fiscal Recovery Funds under the American Rescue Plan Act. Also, this provision does not apply where there is a valid waiver in place. However, the provision may apply to funds expended before the waiver or after expiration of the waiver.

If applicable, Recipients or Subrecipients of an award of Federal financial assistance from a program for infrastructure are required to comply with the Build America, Buy America Act (BABA), including the following provisions:

- a. All iron and steel used in the project are produced in the United States--this means all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States;
- b. All manufactured products used in the project are produced in the United States--this means the manufactured product was manufactured in the United States; and the cost of the components of the manufactured product that are mined, produced, or manufactured in the United States is greater than 55 percent of the total cost of all components of the manufactured product, unless another standard for determining the minimum amount of domestic content of the manufactured product has been established under applicable law or regulation; and

- c. All construction materials are manufactured in the United States-this means that all manufacturing processes for the construction material occurred in the United States.

The Buy America preference only applies to articles, materials, and supplies that are consumed in, incorporated into, or affixed to an infrastructure project. As such, it does not apply to tools, equipment, and supplies, such as temporary scaffolding, brought to the construction site and removed at or before the completion of the infrastructure project. Nor does a Buy America preference apply to equipment and furnishings, such as movable chairs, desks, and portable computer equipment, that are used at or within the finished infrastructure project but are not an integral part of the structure or permanently affixed to the infrastructure project.

25. Investing in America

Grantees of an award for construction projects in whole or in part by the Bipartisan Infrastructure Law or the Inflation Reduction Act, including the following provision:

- a. Signage Requirements

- a. Investing in America Emblem: The recipient will ensure that a sign is placed at construction sites supported in whole or in part by this award displaying the official Investing in America emblem and must identify the project as a “project funded by President Biden’s Bipartisan Infrastructure Law” or “project funded by President Biden’s Inflation Reduction Act” as applicable. The sign must be placed at construction sites in an easily visible location that can be directly linked to the work taking place and must be maintained in good condition throughout the construction period.

- The recipient will ensure compliance with the guidelines and design specifications provided by EPA for using the official Investing in America emblem available at:

- <https://www.epa.gov/invest/investing-america-signage>.

- b. Procuring Signs: Consistent with section 6002 of RCRA, 42 U.S.C. 6962, and 2 CFR 200.323, recipients are encouraged to use recycled or recovered materials when procuring signs. Signage costs are considered an allowable cost under this assistance agreement provided that the costs associated with signage are reasonable. Additionally, to increase public awareness of projects serving communities where English is not the predominant language, recipients are encouraged to translate the language on signs (excluding the official Investing in America emblem or EPA logo or seal) into the appropriate non-English language(s). The costs of such translation are allowable, provided the costs are reasonable.

26. Scrutinized Companies.

- a. Grantee certifies that it is not on the Scrutinized Companies that Boycott Israel List or engaged in a boycott of Israel. Pursuant to section 287.135, F.S., the Department may immediately terminate this Agreement at its sole option if the Grantee is found to have submitted a false certification; or if the Grantee is placed on the Scrutinized Companies that Boycott Israel List or is engaged in the boycott of Israel during the term of the Agreement.
- b. If this Agreement is for more than one million dollars, the Grantee certifies that it is also not on the Scrutinized Companies with Activities in Sudan, Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, or engaged with business operations in Cuba or Syria as identified in section 287.135, F.S. Pursuant to section 287.135, F.S., the Department may immediately terminate this Agreement at its sole option if the Grantee is found to have submitted a false certification; or if the Grantee is placed on the Scrutinized Companies with Activities in Sudan List, or Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, or engaged with business operations in Cuba or Syria during the term of the Agreement.
- c. As provided in subsection 287.135(8), F.S., if federal law ceases to authorize these contracting prohibitions, then they shall become inoperative.

27. Lobbying and Integrity.

The Grantee agrees that no funds received by it under this Agreement will be expended for the purpose of lobbying the Legislature or a State agency pursuant to section 216.347, F.S., except that pursuant to the requirements of section 287.058(6), F.S., during the term of any executed agreement between Grantee and the State, Grantee may lobby the executive or legislative branch concerning the scope of services, performance, term, or compensation regarding that agreement. The Grantee shall comply with sections 11.062 and 216.347, F.S.

28. Record Keeping.

The Grantee shall maintain books, records and documents directly pertinent to performance under this Agreement in accordance with United States generally accepted accounting principles (US GAAP) consistently applied. The Department, the State, or their authorized representatives shall have access to such records for audit purposes during

the term of this Agreement and for five (5) years following the completion date or termination of the Agreement. In the event that any work is subcontracted, Grantee shall similarly require each subcontractor to maintain and allow access to such records for audit purposes. Upon request of Department's Inspector General, or other authorized State official, Grantee shall provide any type of information the Inspector General deems relevant to Grantee's integrity or responsibility. Such information may include, but shall not be limited to, Grantee's business or financial records, documents, or files of any type or form that refer to or relate to Agreement. The Grantee shall retain such records for the longer of: (1) three years after the expiration of the Agreement; or (2) the period required by the General Records Schedules maintained by the Florida Department of State (available at: <http://dos.myflorida.com/library-archives/records-management/general-records-schedules/>).

29. Audits.

- a. Inspector General. The Grantee understands its duty, pursuant to section 20.055(5), F.S., to cooperate with the inspector general in any investigation, audit, inspection, review, or hearing. The Grantee will comply with this duty and ensure that its sub-grantees and/or subcontractors issued under this Agreement, if any, impose this requirement, in writing, on its sub-grantees and/or subcontractors, respectively.
- b. Physical Access and Inspection. Department personnel shall be given access to and may observe and inspect work being performed under this Agreement, with reasonable notice and during normal business hours, including by any of the following methods:
 - i. Grantee shall provide access to any location or facility on which Grantee is performing work, or storing or staging equipment, materials or documents;
 - ii. Grantee shall permit inspection of any facility, equipment, practices, or operations required in performance of any work pursuant to this Agreement; and,
 - iii. Grantee shall allow and facilitate sampling and monitoring of any substances, soils, materials or parameters at any location reasonable or necessary to assure compliance with any work or legal requirements pursuant to this Agreement.
- c. Special Audit Requirements. The Grantee shall comply with the applicable provisions contained in Attachment 5, Special Audit Requirements. Each amendment that authorizes a funding increase or decrease shall include an updated copy of Exhibit 1, to Attachment 5. If Department fails to provide an updated copy of Exhibit 1 to include in each amendment that authorizes a funding increase or decrease, Grantee shall request one from the Department's Grants Manager. The Grantee shall consider the type of financial assistance (federal and/or state) identified in Attachment 5, Exhibit 1 and determine whether the terms of Federal and/or Florida Single Audit Act Requirements may further apply to lower tier transactions that may be a result of this Agreement. For federal financial assistance, Grantee shall utilize the guidance provided under 2 CFR §200.331 for determining whether the relationship represents that of a subrecipient or vendor. For State financial assistance, Grantee shall utilize the form entitled "Checklist for Nonstate Organizations Recipient/Subrecipient vs Vendor Determination" (form number DFS-A2-NS) that can be found under the "Links/Forms" section appearing at the following website: <https://apps.fldfs.com/fsaa>.
- d. Proof of Transactions. In addition to documentation provided to support cost reimbursement as described herein, Department may periodically request additional proof of a transaction to evaluate the appropriateness of costs to the Agreement pursuant to State guidelines (including cost allocation guidelines) and federal, if applicable. Allowable costs and uniform administrative requirements for federal programs can be found under 2 CFR 200. The Department may also request a cost allocation plan in support of its multipliers (overhead, indirect, general administrative costs, and fringe benefits). The Grantee must provide the additional proof within thirty (30) days of such request.
- e. No Commingling of Funds. The accounting systems for all Grantees must ensure that these funds are not commingled with funds from other agencies. Funds from each agency must be accounted for separately. Grantees are prohibited from commingling funds on either a program-by-program or a project-by-project basis. Funds specifically budgeted and/or received for one project may not be used to support another project. Where a Grantee's, or subrecipient's, accounting system cannot comply with this requirement, Grantee, or subrecipient, shall establish a system to provide adequate fund accountability for each project it has been awarded.
 - i. If Department finds that these funds have been commingled, Department shall have the right to demand a refund, either in whole or in part, of the funds provided to Grantee under this Agreement for non-compliance with the material terms of this Agreement. The Grantee, upon such written notification from Department shall refund, and shall forthwith pay to Department, the amount of money demanded by Department. Interest on any refund shall be calculated based on the prevailing rate used by the State Board of Administration. Interest shall be calculated from the date(s) the

original payment(s) are received from Department by Grantee to the date repayment is made by Grantee to Department.

- ii. In the event that the Grantee recovers costs, incurred under this Agreement and reimbursed by Department, from another source(s), Grantee shall reimburse Department for all recovered funds originally provided under this Agreement and interest shall be charged for those recovered costs as calculated on from the date(s) the payment(s) are recovered by Grantee to the date repayment is made to Department.
- iii. Notwithstanding the requirements of this section, the above restrictions on commingling funds do not apply to agreements where payments are made purely on a cost reimbursement basis.

30. Conflict of Interest.

The Grantee covenants that it presently has no interest and shall not acquire any interest which would conflict in any manner or degree with the performance of services required.

31. Independent Contractor.

The Grantee is an independent contractor and is not an employee or agent of Department.

32. Subcontracting.

- a. Unless otherwise specified in the Special Terms and Conditions, all services contracted for are to be performed solely by Grantee.
- b. The Department may, for cause, require the replacement of any Grantee employee, subcontractor, or agent. For cause, includes, but is not limited to, technical or training qualifications, quality of work, change in security status, or non-compliance with an applicable Department policy or other requirement.
- c. The Department may, for cause, deny access to Department's secure information or any facility by any Grantee employee, subcontractor, or agent.
- d. The Department's actions under paragraphs b. or c. shall not relieve Grantee of its obligation to perform all work in compliance with the Agreement. The Grantee shall be responsible for the payment of all monies due under any subcontract. The Department shall not be liable to any subcontractor for any expenses or liabilities incurred under any subcontract and Grantee shall be solely liable to the subcontractor for all expenses and liabilities incurred under any subcontract.
- e. The Department will not deny Grantee's employees, subcontractors, or agents access to meetings within the Department's facilities, unless the basis of Department's denial is safety or security considerations.
- f. The Department supports diversity in its procurement program and requests that all subcontracting opportunities afforded by this Agreement embrace diversity enthusiastically. The award of subcontracts should reflect the full diversity of the citizens of the State. A list of minority-owned firms that could be offered subcontracting opportunities may be obtained by contacting the Office of Supplier Diversity at (850) 487-0915.
- g. The Grantee shall not be liable for any excess costs for a failure to perform, if the failure to perform is caused by the default of a subcontractor at any tier, and if the cause of the default is completely beyond the control of both Grantee and the subcontractor(s), and without the fault or negligence of either, unless the subcontracted products or services were obtainable from other sources in sufficient time for Grantee to meet the required delivery schedule.

33. Guarantee of Parent Company.

If Grantee is a subsidiary of another corporation or other business entity, Grantee asserts that its parent company will guarantee all of the obligations of Grantee for purposes of fulfilling the obligations of Agreement. In the event Grantee is sold during the period the Agreement is in effect, Grantee agrees that it will be a requirement of sale that the new parent company guarantee all of the obligations of Grantee.

34. Survival.

The respective obligations of the parties, which by their nature would continue beyond the termination or expiration of this Agreement, including without limitation, the obligations regarding confidentiality, proprietary interests, and public records, shall survive termination, cancellation, or expiration of this Agreement.

35. Third Parties.

The Department shall not be deemed to assume any liability for the acts, failures to act or negligence of Grantee, its agents, servants, and employees, nor shall Grantee disclaim its own negligence to Department or any third party. This Agreement does not and is not intended to confer any rights or remedies upon any person other than the parties. If Department consents to a subcontract, Grantee will specifically disclose that this Agreement does not create any third-party rights. Further, no third parties shall rely upon any of the rights and obligations created under this Agreement.

36. Severability.

If a court of competent jurisdiction deems any term or condition herein void or unenforceable, the other provisions are severable to that void provision, and shall remain in full force and effect.

37. Grantee's Employees, Subcontractors and Agents.

All Grantee employees, subcontractors, or agents performing work under the Agreement shall be properly trained technicians who meet or exceed any specified training qualifications. Upon request, Grantee shall furnish a copy of technical certification or other proof of qualification. All employees, subcontractors, or agents performing work under Agreement must comply with all security and administrative requirements of Department and shall comply with all controlling laws and regulations relevant to the services they are providing under the Agreement.

38. Assignment.

The Grantee shall not sell, assign, or transfer any of its rights, duties, or obligations under the Agreement, or under any purchase order issued pursuant to the Agreement, without the prior written consent of Department. In the event of any assignment, Grantee remains secondarily liable for performance of the Agreement, unless Department expressly waives such secondary liability. The Department may assign the Agreement with prior written notice to Grantee of its intent to do so.

39. Compensation Report.

If this Agreement is a sole-source, public-private agreement or if the Grantee, through this agreement with the State, annually receive 50% or more of their budget from the State or from a combination of State and Federal funds, the Grantee shall provide an annual report, including the most recent IRS Form 990, detailing the total compensation for the entities' executive leadership teams. Total compensation shall include salary, bonuses, cashed-in leave, cash equivalents, severance pay, retirement benefits, deferred compensation, real-property gifts, and any other payout. The Grantee must also inform the Department of any changes in total executive compensation between the annual reports. All compensation reports must indicate what percent of compensation comes directly from the State or Federal allocations to the Grantee.

40. Execution in Counterparts and Authority to Sign.

This Agreement, any amendments, and/or change orders related to the Agreement, may be executed in counterparts, each of which shall be an original and all of which shall constitute the same instrument. In accordance with the Electronic Signature Act of 1996, electronic signatures, including facsimile transmissions, may be used and shall have the same force and effect as a written signature. Each person signing this Agreement warrants that he or she is duly authorized to do so and to bind the respective party to the Agreement.

**STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL PROTECTION
Revised Special Terms and Conditions
AGREEMENT NO. 23PLN64**

ATTACHMENT 2-A

These Special Terms and Conditions shall be read together with general terms outlined in the Standard Terms and Conditions, Attachment 1. Where in conflict, these more specific terms shall apply.

1. Scope of Work.

The Project funded under this Agreement is City of Destin Comprehensive Vulnerability Assessment. The Project is defined in more detail in Attachment 3, Grant Work Plan.

2. Duration.

- a. Reimbursement Period. The reimbursement period for this Agreement is the same as the term of the Agreement.
- b. Extensions. There are extensions available for this Project.
- c. Service Periods. Additional service periods may be added in accordance with 2.a above and are contingent upon proper and satisfactory technical and administrative performance by the Grantee and the availability of funding.

3. Payment Provisions.

- a. Compensation. This is a cost reimbursement Agreement. The Grantee shall be compensated under this Agreement as described in Attachment 3.
- b. Invoicing. Invoicing will occur as indicated in Attachment 3.
- c. Advance Pay. Advance Pay is not authorized under this Agreement.

4. Cost Eligible for Reimbursement or Matching Requirements.

Reimbursement for costs or availability for costs to meet matching requirements shall be limited to the following budget categories, as defined in the Reference Guide for State Expenditures, as indicated:

<u>Reimbursement</u>	<u>Match</u>	<u>Category</u>
☐	☐	Salaries/Wages
		Overhead/Indirect/General and Administrative Costs:
☐	☐	a. Fringe Benefits, N/A.
☐	☐	b. Indirect Costs, N/A.
☒	☐	Contractual (Subcontractors)
☐	☐	Travel, in accordance with Section 112, F.S.
☐	☐	Equipment
☐	☐	Rental/Lease of Equipment
☐	☐	Miscellaneous/Other Expenses
☐	☐	Land Acquisition

5. Equipment Purchase.

No Equipment purchases shall be funded under this Agreement.

6. Land Acquisition.

There will be no Land Acquisitions funded under this Agreement.

7. Match Requirements

There is no match required on the part of the Grantee under this Agreement.

8. Insurance Requirements

Required Coverage. At all times during the Agreement the Grantee, at its sole expense, shall maintain insurance coverage of such types and with such terms and limits described below. The limits of coverage under each policy maintained by the Grantee shall not be interpreted as limiting the Grantee's liability and obligations under the Agreement. All insurance policies shall be through insurers licensed and authorized to issue policies in Florida, or alternatively, Grantee may provide coverage through a self-insurance program established and operating under the laws of Florida. Additional insurance requirements for this Agreement may be required elsewhere in this Agreement, however the minimum insurance requirements applicable to this Agreement are:

a. Commercial General Liability Insurance.

The Grantee shall provide adequate commercial general liability insurance coverage and hold such liability insurance at all times during the Agreement. The Department, its employees, and officers shall be named as an additional insured on any general liability policies. The minimum limits shall be \$250,000 for each occurrence and \$500,000 policy aggregate.

b. Commercial Automobile Insurance.

If the Grantee's duties include the use of a commercial vehicle, the Grantee shall maintain automobile liability, bodily injury, and property damage coverage. Insuring clauses for both bodily injury and property damage shall provide coverage on an occurrence basis. The Department, its employees, and officers shall be named as an additional insured on any automobile insurance policy. The minimum limits shall be as follows:

\$200,000/300,000	Automobile Liability for Company-Owned Vehicles, if applicable
\$200,000/300,000	Hired and Non-owned Automobile Liability Coverage

c. Workers' Compensation and Employer's Liability Coverage.

The Grantee shall provide workers' compensation, in accordance with Chapter 440, F.S. and employer liability coverage with minimum limits of \$100,000 per accident, \$100,000 per person, and \$500,000 policy aggregate. Such policies shall cover all employees engaged in any work under the Grant.

d. Other Insurance. None.

9. Quality Assurance Requirements.

There are no special Quality Assurance requirements under this Agreement.

10. Retainage.

No retainage is required under this Agreement.

11. Subcontracting.

The Grantee may subcontract work under this Agreement without the prior written consent of the Department's Grant Manager except for certain fixed-price subcontracts pursuant to this Agreement, which require prior approval. The Grantee shall submit a copy of the executed subcontract to the Department prior to submitting any invoices for subcontracted work. Regardless of any subcontract, the Grantee is ultimately responsible for all work to be performed under this Agreement.

12. State-owned Land.

The work will not be performed on State-owned land.

13. Office of Policy and Budget Reporting.

There are no special Office of Policy and Budget reporting requirements for this Agreement.

14. Common Carrier.

- a. Applicable to contracts with a common carrier – firm/person/corporation that as a regular business transports people or commodities from place to place. If applicable, Contractor must also fill out and return PUR 1808 before contract execution. If Contractor is a common carrier pursuant to section 908.111(1)(a), Florida Statutes, the Department will terminate this contract immediately if Contractor is found to be in violation of the law or the attestation in PUR 1808.
- b. Applicable to solicitations for a common carrier – Before contract execution, the winning Contractor(s) must fill out and return PUR 1808, and attest that it is not willfully providing any service in furtherance of transporting a person into this state knowing that the person unlawfully present in the United States

according to the terms of the federal Immigration and Nationality Act, 8 U.S.C. ss. 1101 et seq. The Department will terminate a contract immediately if Contractor is found to be in violation of the law or the attestation in PUR 1808.

15. Additional Terms.

None.

**STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL PROTECTION
REVISED GRANT WORK PLAN
AGREEMENT NO. 23PLN64**

ATTACHMENT 3-A

PROJECT TITLE: City of Destin Comprehensive Vulnerability Assessment

PROJECT LOCATION: The Project is located in the City of Destin within Okaloosa County, Florida.

PROJECT DESCRIPTION:

The City of Destin (Grantee) will complete the City of Destin Comprehensive Vulnerability Assessment Project (Project) to include a comprehensive Vulnerability Assessment (VA) pursuant to Section 380.093, Florida Statutes (F.S.) as well as identify focus areas, conduct a Local Mitigation Strategy (LMS), and develop an Adaptation Plan (AP). The Project will include public outreach.

TASKS AND DELIVERABLES:

Task 1: Kick Off Meeting

Description: The Grantee will develop an overall project management plan and address initial actions and then conduct a kick-off meeting for the project. Meeting attendees should discuss the project scope, project goals, schedule, key milestones, and deliverables in order to develop a consistent project approach. Prior to the meeting, the Grantee will prepare the sign-in sheet, draft project schedule, and other meeting materials as necessary. The Grantee will prepare a draft list of City staff representatives that will participate in the project and review deliverables.

Deliverables: The Grantee will provide the following:

- **1.1:** Meeting agenda to include location, date, and time of meeting;
- **1.2:** Meeting sign-in sheets or attendance records with attendee names and affiliation;
- **1.3:** A copy of the presentation(s) and any materials created for distribution at the meeting, as applicable; and
- **1.4:** Kick-off meeting minutes, which documents all decisions and agreed upon outcomes of the meeting.

Task 2: Public Outreach Meeting #1

Description: The Grantee will conduct one initial public outreach meeting during the project. The purpose of the first meeting is to allow the public to provide input during the initial data collection stages, to include input on preferred methodologies, data for analyzing potential sea level rise impacts and/or flooding, guiding factors to consider, and critical assets important to the community. The Grantee will prepare all social media notifications, meeting invitations, meeting materials, presentations, and graphics utilized during the meeting, as applicable.

Deliverables: The Grantee will provide the following:

- **2.1:** Meeting agendas to include location, date, and time of meeting;
- **2.2:** Meeting sign-in sheets with attendee names and affiliation (i.e. local stakeholder, resident, steering committee member, local government staff);

- **2.3:** A copy of the presentation(s) and any materials created in preparation of or for distribution at the meeting (i.e. social media posts, public announcements, graphics), as applicable;
- **2.4:** A copy of the file or weblink of the video or audio recording from the meeting, if applicable; and
- **2.5:** A summary report including attendee input and meeting outcomes.

Task 3: Acquire Background Data

Description: The Grantee will research and compile the data needed to perform the VA based on the requirements as defined in Section 380.093, F.S. Three (3) main categories of data are required to perform a VA: 1) critical and regionally significant asset inventory, 2) topographic data, and 3) flood scenario-related data. GIS metadata should incorporate a layer for each of the four asset classes as defined in paragraphs 380.093(2)(a)1-4, F.S. GIS files and associated metadata must adhere to the Resilient Florida Program's GIS Data Standards (Exhibit I), and raw data sources shall be defined within the associated metadata. Sea level rise projection data shall include the 2017 National Oceanic and Atmospheric Administration (NOAA) intermediate-high and intermediate-low projections for 2040 and 2070, at a minimum. Other projections can be used at the Grantees discretion. Storm surge data used must be equal to or exceed the 100-year return period (1% annual chance) flood event. In the process of researching background data, the Grantee shall identify data gaps, where missing data or low-quality information may limit the VA's extent or reduce the accuracy of the results. The Grantee shall rectify any gaps of necessary data using available public information and sources.

Deliverables: The Grantee will provide the following:

- **3.1:** A technical report to outline the data compiled and findings of the gap analysis;
- **3.2:** A summary report to include recommendations to address the identified data gaps and actions taken to rectify them, if applicable;
- **3.3:** GIS files with appropriate metadata of the data compiled, to include locations of critical assets owned or maintained either by the Grantee or municipalities included within the county as well as regionally significant assets that are classified and as defined in paragraphs 380.093(2)(a)1-4, F.S.; and
- **3.4:** All records or requests for data from municipalities without statutorily compliant VA.

Task 4: Exposure Analysis

Description: The Grantee will perform an exposure analysis to identify the depth of water caused by each sea level rise, storm surge, and/or flood scenario. The water surface depths (i.e. flood scenarios) used to evaluate assets shall include the following data: tidal flooding, current and future storm surge flooding, rainfall-induced flooding, and compound flooding, all as applicable, as well as the scenarios and standards used for the exposure analysis shall be pursuant to s. 380.093, F.S. GIS files and associated metadata must adhere to the Resilient Florida Program's GIS Data Standards (Exhibit I), and raw data sources shall be defined within the associated metadata.

Deliverables: The Grantee will provide the following:

- **4.1:** A draft VA report that provides details on the modeling process, type of models utilized, and resulting tables and maps illustrating flood depths for each flood scenario; and
- **4.2:** GIS files with results of the exposure analysis for each flood scenario as well as the appropriate metadata that identifies the methods used to create the flood layers.

Task 5: Sensitivity Analysis

The Grantee will leverage the county-wide sensitivity analysis to refine the the impact of flooding on assets that are managed and owned by the City and to apply the data from the exposure analysis to the inventory of critical assets created in Task 3. The sensitivity analysis should include an evaluation of the impact of flood severity on each asset class and at each flood scenario and assign a risk level based on percentages of land area inundated and number of critical assets affected.

Deliverables: The Grantee will provide the following:

- **5.1:** An updated draft VA report that provides details on the findings of the exposure analysis and the sensitivity analysis, and includes visual presentation of the data via maps and tables, based on the statutorily-required scenarios and standards; and
- **5.2:** An initial list of critical and regionally significant assets that are impacted by flooding. The list of critical and regionally significant assets must be prioritized by area or immediate need and must identify which flood scenario(s) impacts each asset.

Task 6: Public Outreach Meeting #2

Description: The Grantee will conduct a second public meeting to present the results from the exposure analysis, sensitivity analysis, and draft Vulnerability Assessment. The purpose of the second meeting is to allow the public to provide community-specific input on the results of the analyses and to reconsider methodologies and assumptions used in the analysis for refinement. Additionally, during this meeting, the Grantee will conduct exercises to encourage the public to prioritize focus areas of flooding, and the critical assets in preparation for the development of adaptation strategies and project development. Criteria should be established to guide the public's input for the selection of focus areas. The Grantee will prepare all social media notifications, meeting invitations, meeting materials, presentations, and graphics utilized during the meeting, as applicable.

Deliverables: The Grantee will provide the following:

- **6.1:** Meeting agendas to include location, date, and time of meeting;
- **6.2:** Meeting sign-in sheets with attendee names and affiliation (i.e. local stakeholder, resident, steering committee member, local government staff);
- **6.3:** A copy of the presentation(s) and any materials created in preparation of or for distribution at the meeting (i.e. social media posts, public announcements, graphics), as applicable;
- **6.4:** A copy of the file or weblink of the video or audio recording from the meeting, if applicable; and
- **6.5:** A summary report including attendee input and meeting outcomes, to include defining focus areas recommended by the community.

Task 7: Identify Focus Areas

Description: The Grantee will identify focus areas based on the results of the second public outreach meeting and input from the steering committee, following the guidelines in Chapter 2 of the Florida Adaptation Planning Guidebook. Based on the exposure and sensitivity analyses, the Grantee may assign focus areas to locations or assets that are particularly vulnerable and require the development of adaptation strategies. GIS files and associated metadata must adhere to the Resilient Florida Program's GIS Data Standards (Exhibit I), and raw data sources shall be defined within the associated metadata.

Deliverables: The Grantee will provide the following:

- **7.1:** A report summarizing the areas identified as focus areas, with justification for choosing each area;
- **7.2:** Tables listing each focus area with any critical assets that are contained inside the focus area;
- **7.3:** Maps illustrating the location of each focus area compared to the location of all critical assets within the geographic extent of the study; and
- **7.4:** GIS files and associated metadata illustrating geographic boundaries of the identified focus areas.

Task 8: Final Vulnerability Assessment Report, Maps, and Tables

Description: The Grantee will finalize the VA report pursuant to the requirements in s. 380.093, F.S., and public outreach efforts. The final VA must include all results from the exposure and sensitivity analyses, as well as a summary of identified risks. It should contain a list of critical and regionally significant assets that are impacted by flooding and sea-level rise, specifying for each asset the flood scenario(s) impacting the asset. GIS files and associated metadata must adhere to the Resilient Florida Program's GIS Data Standards (Exhibit I), and raw data sources shall be defined within the associated metadata.

Deliverables: The Grantee will provide the following:

- **8.1:** Final VA Report that provides details on the results and conclusions, including illustrations via maps and tables, based on the statutorily-required scenarios and standards in s. 380.093, F.S.;
- **8.2:** A final list of critical and regionally significant assets that are impacted by flooding. The list of critical and regionally significant assets must be prioritized by area or immediate need and must identify which flood scenario(s) impacts each asset.;
- **8.3:** All electronic mapping data used to illustrate flooding and sea level rise impacts identified in the VA, to include the geospatial data in an electronic file format and GIS metadata; and
- **8.4:** A signed Vulnerability Assessment Compliance Checklist Certification.

Task 9: Local Mitigation Strategy

Description: The results of the Vulnerability Assessment can be used to inform a LMS as required by the Florida Division of Emergency Management (FDEM). The LMS is usually developed at the county level and serves to reduce the risks associated with natural and man-made disasters, including sea level rise. The Grantee will work with the Local Mitigation Strategy Working Group (LMSWG) to ensure the Vulnerability Assessment Report is in alignment with the existing county LMS Plan and will be utilized during the planning process of future county LMS Plan updates.

Deliverables: The Grantee will provide the following:

- **9.1:** Submit a letter to the Department and FDEM Mitigation Bureau Planning Unit, signed by the LMSWG Chair, or Designee, to include the following: 1) Vulnerability Assessment Report will be incorporated as a reference in updating the next iteration of the LMS Plan, i.e., utilized in the next five-year update; 2) Vulnerability Assessment Report will be included as an appendix to the next iteration of the LMS Plan; and 3) the entity/entities that composed the VA report will be involved with the LMSWG through any of the following: at a minimum, be added to the contact list, attend meetings, participate in the planning process of the next major update; participate in the adoption of the LMS plan; and submit projects to the LMSWG to be included on LMS Prioritized Project List.

Task 10: Adaptation Plan

Description: The Grantee will complete an AP that is consistent with the Florida Adaptation Planning Guidebook and includes the following: assessment of adaptive capacities, prioritization of adaptation needs, and identification of adaptation strategies. The Grantee may also include optional subtasks such as identifying adaptation action areas, stakeholder engagement, and integrating the proposed AP into existing APs. The AP will also include a list of prioritized projects for each asset class as defined in subsection 380.093(2), F.S., for consideration and implementation.

Deliverables: The Grantee will provide the following:

- **10.1:** Final Adaptation Plan or Report

PERFORMANCE MEASURES: The Grantee will submit all deliverables for each task to the Department's Grant Manager on or before the Task Due Date listed in the Project Timeline. The Department's Grant Manager will review the deliverable(s) to verify that they meet the specifications in the Grant Work Plan and the task description, to include any work being performed by any subcontractor(s), and will provide written acceptance or denial of the deliverable(s) to the Grantee within thirty (30) calendar days. Tasks may include multiple deliverables to be completed. The Department will accept partial and full deliverables. Incomplete deliverables will not be accepted. A "partial deliverable" is defined as a deliverable consisting of one (1) or more (but not all) subcomponents listed in the deliverable list for a single task, where such subcomponent(s) are delivered to the Department at one hundred percent (100%) completion. A "full deliverable" is defined as a deliverable comprising all subcomponents listed in the deliverable list for a single task, all delivered to the Department at one hundred percent (100%) completion. An "incomplete deliverable" is defined as a deliverable for which one hundred percent (100%) completion has not been achieved for any of the subcomponents listed in the deliverable list for a single task. A task is considered one hundred percent (100%) complete upon the Department's receipt and approval of all deliverable(s) listed within the task and the Department's approval provided by the Deliverable Acceptance Letter.

CONSEQUENCES FOR NON-PERFORMANCE: For each task deliverable not received by the Department at one hundred percent (100%) completion and by the specified due date listed in the Agreement's most recent Project Timeline, the Department will reduce the relevant Task Funding Amount(s) paid to Grantee in proportion to the percentage of the deliverable(s) not fully completed and/or submitted to the Department in a timely manner.

PAYMENT REQUEST SCHEDULE: Following the Grantee's full or partial completion of a task's deliverable(s) and acceptance by the Department's Grant Manager, the Grantee may submit a payment request for cost reimbursement using the Exhibit C, Payment Request Summary Form. All payment requests must be accompanied by the Deliverable Acceptance Letter; the Exhibit A, Progress Report Form, detailing all progress made in the invoice period; and supporting fiscal documentation including match, if applicable. Interim payments will not be accepted. Payment requests will not be accepted until all required Exhibit A, Progress Report Forms, have been submitted to the Department's Grant Manager for all reporting periods dating back to the Agreement Begin Date. Upon the Department's receipt of the aforementioned documents and supporting fiscal documentation, the Department's Grant Manager will have ten (10) working days to review and approve or deny the payment request.

PROJECT TIMELINE AND BUDGET DETAIL: The tasks must be completed by, and all deliverables received by, the corresponding task due date listed in the table below. Cost-reimbursable grant funding must not exceed the budget amounts indicated below. Requests for any change(s) must be submitted prior to the current task due date listed in the Project Timeline. Requests are to be sent via email to the Department's Grant Manager, with the details of the request and the reason for the request made clear.

Task No.	Task Title	Budget Category	DEP Amount	Match Amount	Total Amount	Task Start Date	Task Due Date
1	Kick Off Meeting	Contractual Services	\$3,500	\$0	\$3,500	7/1/2022	3/31/2025
2	Public Outreach Meeting #1	Contractual Services	\$8,500	\$0	\$8,500	7/1/2022	3/31/2025
3	Acquire Background Data	Contractual Services	\$34,000	\$0	\$34,000	7/1/2023	3/31/2025
4	Exposure Analysis	Contractual Services	\$37,500	\$0	\$37,500	7/1/2023	3/31/2025
5	Sensitivity Analysis	Contractual Services	\$27,500	\$0	\$27,500	7/1/2023	3/31/2025
6	Public Outreach Meeting #2	Contractual Services	\$8,900	\$0	\$8,900	7/1/2023	3/31/2025
7	Identify Focus Areas	Contractual Services	\$28,300	\$0	\$28,300	7/1/2023	3/31/2025
8	Final Vulnerability Assessment Report, Maps, and Tables	Contractual Services	\$41,000	\$0	\$41,000	7/1/2023	3/31/2025
9	Local Mitigation Strategy	Contractual Services	\$6,800	\$0	\$6,800	7/1/2023	3/31/2025
10	Adaptation Plan	Contractual Services	\$30,000	\$0	\$30,000	7/1/2023	3/31/2025
Total:			\$226,000	\$0	\$226,000		

**STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL PROTECTION
Revised Special Audit Requirements
(State and Federal Financial Assistance)**

Attachment 5-A

The administration of resources awarded by the Department of Environmental Protection (*which may be referred to as the "Department", "DEP", "FDEP" or "Grantor", or other name in the agreement*) to the recipient (*which may be referred to as the "Recipient", "Grantee" or other name in the agreement*) may be subject to audits and/or monitoring by the Department of Environmental Protection, as described in this attachment.

MONITORING

In addition to reviews of audits conducted in accordance with 2 CFR Part 200, Subpart F-Audit Requirements, and Section 215.97, F.S., as revised (see "AUDITS" below), monitoring procedures may include, but not be limited to, on-site visits by DEP Department staff, limited scope audits as defined by 2 CFR 200.425, or other procedures. By entering into this Agreement, the recipient agrees to comply and cooperate with any monitoring procedures/processes deemed appropriate by the Department of Environmental Protection. In the event the Department of Environmental Protection determines that a limited scope audit of the recipient is appropriate, the recipient agrees to comply with any additional instructions provided by the Department to the recipient regarding such audit. The recipient further agrees to comply and cooperate with any inspections, reviews, investigations, or audits deemed necessary by the Chief Financial Officer (CFO) or Auditor General.

AUDITS

PART I: FEDERALLY FUNDED

This part is applicable if the recipient is a State or local government or a non-profit organization as defined in 2 CFR §200.330

1. A recipient that expends \$750,000 or more in Federal awards in its fiscal year, must have a single or program-specific audit conducted in accordance with the provisions of 2 CFR Part 200, Subpart F. EXHIBIT 1 to this Attachment indicates Federal funds awarded through the Department of Environmental Protection by this Agreement. In determining the federal awards expended in its fiscal year, the recipient shall consider all sources of federal awards, including federal resources received from the Department of Environmental Protection. The determination of amounts of federal awards expended should be in accordance with the guidelines established in 2 CFR 200.502-503. An audit of the recipient conducted by the Auditor General in accordance with the provisions of 2 CFR Part 200.514 will meet the requirements of this part.
2. For the audit requirements addressed in Part I, paragraph 1, the recipient shall fulfill the requirements relative to auditee responsibilities as provided in 2 CFR 200.508-512.
3. A recipient that expends less than \$750,000 in federal awards in its fiscal year is not required to have an audit conducted in accordance with the provisions of 2 CFR Part 200, Subpart F-Audit Requirements. If the recipient expends less than \$750,000 in federal awards in its fiscal year and elects to have an audit conducted in accordance with the provisions of 2 CFR 200, Subpart F-Audit Requirements, the cost of the audit must be paid from non-federal resources (i.e., the cost of such an audit must be paid from recipient resources obtained from other federal entities).
4. The recipient may access information regarding the Catalog of Federal Domestic Assistance (CFDA) via the internet at <https://sam.gov/content/assistance-listings>.

Attachment 5-A

PART II: STATE FUNDED

This part is applicable if the recipient is a nonstate entity as defined by Section 215.97(2), Florida Statutes.

1. In the event that the recipient expends a total amount of state financial assistance equal to or in excess of \$750,000 in any fiscal year of such recipient (for fiscal years ending June 30, 2017, and thereafter), the recipient must have a State single or project-specific audit for such fiscal year in accordance with Section 215.97, F.S.; Rule Chapter 69I-5, F.A.C., State Financial Assistance; and Chapters 10.550 (local governmental entities) or 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General. EXHIBIT 1 to this form lists the state financial assistance awarded through the Department of Environmental Protection by this agreement. In determining the state financial assistance expended in its fiscal year, the recipient shall consider all sources of state financial assistance, including state financial assistance received from the Department of Environmental Protection, other state agencies, and other nonstate entities. State financial assistance does not include federal direct or pass-through awards and resources received by a nonstate entity for Federal program matching requirements.
2. In connection with the audit requirements addressed in Part II, paragraph 1; the recipient shall ensure that the audit complies with the requirements of Section 215.97(8), Florida Statutes. This includes submission of a financial reporting package as defined by Section 215.97(2), Florida Statutes, and Chapters 10.550 (local governmental entities) or 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General.
3. If the recipient expends less than \$750,000 in state financial assistance in its fiscal year (for fiscal year ending June 30, 2017, and thereafter), an audit conducted in accordance with the provisions of Section 215.97, Florida Statutes, is not required. In the event that the recipient expends less than \$750,000 in state financial assistance in its fiscal year, and elects to have an audit conducted in accordance with the provisions of Section 215.97, Florida Statutes, the cost of the audit must be paid from the non-state entity's resources (i.e., the cost of such an audit must be paid from the recipient's resources obtained from other than State entities).
4. For information regarding the Florida Catalog of State Financial Assistance (CSFA), a recipient should access the Florida Single Audit Act website located at <https://apps.fldfs.com/fsaa> for assistance. In addition to the above websites, the following websites may be accessed for information: Legislature's Website at <http://www.leg.state.fl.us/Welcome/index.cfm>, State of Florida's website at <http://www.myflorida.com/>, Department of Financial Services' Website at <http://www.fldfs.com/> and the Auditor General's Website at <http://www.myflorida.com/audgen/>.

PART III: OTHER AUDIT REQUIREMENTS

(NOTE: This part would be used to specify any additional audit requirements imposed by the State awarding entity that are solely a matter of that State awarding entity's policy (i.e., the audit is not required by Federal or State laws and is not in conflict with other Federal or State audit requirements). Pursuant to Section 215.97(8), Florida Statutes, State agencies may conduct or arrange for audits of State financial assistance that are in addition to audits conducted in accordance with Section 215.97, Florida Statutes. In such an event, the State awarding agency must arrange for funding the full cost of such additional audits.)

PART IV: REPORT SUBMISSION

1. Copies of reporting packages for audits conducted in accordance with 2 CFR Part 200, Subpart F-Audit Requirements, and required by PART I of this form shall be submitted, when required by 2 CFR 200.512, by or on behalf of the recipient directly to the Federal Audit Clearinghouse (FAC) as provided in 2 CFR 200.36 and 200.512
 - A. The Federal Audit Clearinghouse designated in 2 CFR §200.501(a) (the number of copies required by 2 CFR §200.501(a) should be submitted to the Federal Audit Clearinghouse), at the following address:

By Mail:

Federal Audit Clearinghouse
Bureau of the Census
1201 East 10th Street
Jeffersonville, IN 47132

Submissions of the Single Audit reporting package for fiscal periods ending on or after January 1, 2008, must be submitted using the Federal Clearinghouse's Internet Data Entry System which can be found at <http://harvester.census.gov/facweb/>

2. Copies of financial reporting packages required by PART II of this Attachment shall be submitted by or on behalf of the recipient directly to each of the following:

- A. The Department of Environmental Protection at one of the following addresses:

By Mail:

Audit Director
Florida Department of Environmental Protection
Office of Inspector General, MS 40
3900 Commonwealth Boulevard
Tallahassee, Florida 32399-3000

Electronically:

FDEPSingleAudit@dep.state.fl.us

- B. The Auditor General's Office at the following address:

Auditor General
Local Government Audits/342
Claude Pepper Building, Room 401
111 West Madison Street
Tallahassee, Florida 32399-1450

The Auditor General's website (<http://flauditor.gov/>) provides instructions for filing an electronic copy of a financial reporting package.

3. Copies of reports or management letters required by PART III of this Attachment shall be submitted by or on behalf of the recipient directly to the Department of Environmental Protection at one of the following addresses:

By Mail:

Audit Director
Florida Department of Environmental Protection
Office of Inspector General, MS 40
3900 Commonwealth Boulevard
Tallahassee, Florida 32399-3000

Electronically:

FDEPSingleAudit@dep.state.fl.us

4. Any reports, management letters, or other information required to be submitted to the Department of Environmental Protection pursuant to this Agreement shall be submitted timely in accordance with 2 CFR 200.512, section 215.97, F.S., and Chapters 10.550 (local governmental entities) or 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General, as applicable.

Attachment 5-A

3 of 7

5. Recipients, when submitting financial reporting packages to the Department of Environmental Protection for audits done in accordance with 2 CFR 200, Subpart F-Audit Requirements, or Chapters 10.550 (local governmental entities) and 10.650 (non and for-profit organizations), Rules of the Auditor General, should indicate the date and the reporting package was delivered to the recipient correspondence accompanying the reporting package.

PART V: RECORD RETENTION

The recipient shall retain sufficient records demonstrating its compliance with the terms of the award and this Agreement for a period of **five (5)** years from the date the audit report is issued, and shall allow the Department of Environmental Protection, or its designee, Chief Financial Officer, or Auditor General access to such records upon request. The recipient shall ensure that audit working papers are made available to the Department of Environmental Protection, or its designee, Chief Financial Officer, or Auditor General upon request for a period of **three (3)** years from the date the audit report is issued, unless extended in writing by the Department of Environmental Protection.

EXHIBIT – 1

FUNDS AWARDED TO THE RECIPIENT PURSUANT TO THIS AGREEMENT CONSIST OF THE FOLLOWING:

Note: If the resources awarded to the recipient represent more than one federal program, provide the same information shown below for each federal program and show total federal resources awarded

Federal Resources Awarded to the Recipient Pursuant to this Agreement Consist of the Following:					
Federal Program A	Federal Agency	CFDA Number	CFDA Title	Funding Amount	State Appropriation Category
				\$	
Federal Program B	Federal Agency	CFDA Number	CFDA Title	Funding Amount	State Appropriation Category
				\$	

Note: Of the resources awarded to the recipient represent more than one federal program, list applicable compliance requirements for each federal program in the same manner as shown below:

Federal Program A	First Compliance requirement: i.e.: (what services of purposes resources must be used for)	
	Second Compliance requirement: i.e.: (eligibility requirement for recipients of the resources)	
	Etc.	
	Etc.	
Federal Program B	First Compliance requirement: i.e.: (what services of purposes resources must be used for)	
	Second Compliance requirement: i.e.: (eligibility requirement for recipients of the resources)	
	Etc.	
	Etc.	

Note: If the resources awarded to the recipient for matching represent more than one federal program, provide the same information shown below for each federal program and show total state resources awarded for matching.

State Resources Awarded to the Recipient Pursuant to this Agreement Consist of the Following Matching Resources for Federal Programs:					
Federal Program A	Federal Agency	CFDA	CFDA Title	Funding Amount	State Appropriation Category
Federal Program B	Federal Agency	CFDA	CFDA Title	Funding Amount	State Appropriation Category

Note: If the resources awarded to the recipient represent more than one state project, provide the same information shown below for each state project and show total state financial assistance awarded that is subject to section 215.97, F.S.

State Resources Awarded to the Recipient Pursuant to this Agreement Consist of the Following Resources Subject to Section 215.97, F.S.:						
State Program A	State Awarding Agency	State Fiscal Year ¹	CSFA Number	CSFA Title or Funding Source Description	Funding Amount	State Appropriation Category
Original Award	Florida Department of Environmental Protection	22/23	37.098	Resilient Florida Programs	\$70,000.00	140078
Amendment 1	Florida Department of Environmental Protection	23/24	37.098	Resilient Florida Programs	\$156,000.00	140078
State Program B	State Awarding Agency	State Fiscal Year ²	CSFA Number	CSFA Title or Funding Source Description	Funding Amount	State Appropriation Category

Total Award					\$226,000.00	
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Note: List applicable compliance requirement in the same manner as illustrated above for federal resources. For matching resources provided by the Department for DEP for federal programs, the requirements might be similar to the requirements for the applicable federal programs. Also, to the extent that different requirements pertain to different amount for the non-federal resources, there may be more than one grouping (i.e. 1, 2, 3, etc.) listed under this category.

For each program identified above, the recipient shall comply with the program requirements described in the Catalog of Federal Domestic Assistance (CFDA) [<https://sam.gov/content/assistance-listings>] and/or the Florida Catalog of State Financial Assistance (CSFA) [<https://apps.fldfs.com/fsaa/searchCatalog.aspx>], and State Projects Compliance Supplement (Part Four: State Projects Compliance Supplement [https://apps.fldfs.com/fsaa/state_project_compliance.aspx]). The

¹ Subject to change by Change Order.

² Subject to change by Change Order.

services/purposes for which the funds are to be used are included in the Agreement's Grant Work Plan. Any match required by the Recipient is clearly indicated in the Agreement.

**STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL PROTECTION
RESILIENT FLORIDA GRANT PROGRAM
REVISED CONTRACTUAL SERVICES CERTIFICATION**

Exhibit H-1

Required for all grant agreements that include Contractual Services as an expenditure category.

DEP Agreement Number: **23PLN64**

Project Title: **City of Destin Comprehensive Vulnerability Assessment**

Grantee: **City of Destin**

Subcontractor: _____

Note: Submit separate Exhibit H Certification for each additional subcontractor.

Prior to making a request for payment of contractual services, the Grantee must provide the following to the Department Grant Manager then responsible for the Grantee's Resilient Florida Grant Program grant agreement:

1. Documentation of the Grantee's procurement process, as consistent with Attachment 1, Paragraph 9(c) and Attachment 2, Paragraph 11;
2. A list of all subcontractor quote and/or bid amounts (as applicable), including the company name and address for each subcontractor;
3. An explanation of how and why the Grantee made their determination(s) for the subcontractor(s) selected to perform certain task(s) under the Grantee's relevant grant agreement;
4. A copy of the Grantee's executed subcontract agreement, as required by Attachment 2, Paragraph 11; and
5. This Exhibit H, signed and dated by the Grantee's own (non-Departmental) grant manager.

By signing below, I certify that, on behalf of the Grantee, I have provided all the information required by items 1. through 3. of this exhibit, as stated above, to the Department Grant Manager currently responsible for the Grantee's Resilient Florida Grant Program grant agreement. I also certify that the procurement process the Grantee utilized follows all of said Grantee's non-Departmental policies and procedures for subcontractors.

Grantee's Grant Manager Signature

Print Name

Date

**STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL PROTECTION
RESILIENT FLORIDA GRANT PROGRAM
REVISED VULNERABILITY ASSESSMENT COMPLIANCE CHECKLIST CERTIFICATION**

Exhibit I-1

Required for all planning grant agreements that include a comprehensive Vulnerability Assessment.

DEP Agreement Number: 23PLN64

Project Title: City of Destin Comprehensive Vulnerability Assessment

Grantee: City of Destin

In accordance with subsection 380.093(3), F.S., the following components, scenarios, data, and information are required for a comprehensive Vulnerability Assessment (VA). The checklist must be completed and submitted with the final VA Report deliverable, pursuant to Attachment 3, Grant Work Plan. When filling out the checklist, please provide the corresponding page number in the VA or, if the item is not applicable, an explanation as to why it is not applicable. The Grantee must abide by the Department's GIS Data Standards found on the Resilient Florida Program webpage: <https://floridadep.gov/rcp/resilient-florida-program/documents/resilient-florida-program-gis-data-standards>

Part 1 – Subparagraph 380.093(3)(c)2., F.S.

Item ID	Check if Included	Item Description	Page Reference in VA Report (if applicable)
A	☐	Final Vulnerability Assessment Report that provides details on the results and conclusions, including illustrations via maps and tables.	
All electronic mapping data used to illustrate flooding and sea level rise impacts that are identified in the VA must be provided in the format consistent with the Department's GIS Data Standards and include the following three (3) items:			
B	☐	Geospatial data in an electronic file format.	
C	☐	GIS metadata.	
D	☐	List of critical assets for each jurisdiction, including regionally significant assets, that are impacted by flooding and sea level rise. The list must be prioritized by area or immediate need and must identify which flood scenario(s) impacts each asset. Critical assets and regionally significant assets are as defined in subsection 380.093(2), F.S.	

Part 2 – Subparagraphs 380.093(3)(d)1. and 380.093(3)(d)2., F.S.

Item ID	Check if Included	Item Description	Page Reference in VA Report (if applicable)
E	☐	Peril of Flood Comprehensive Plan amendments developed that address paragraph 163.3178(2)(f), F.S. <i>(if applicable)</i> ☐ Noncoastal community/Peril of Flood not required ☐ Already in compliance	

Exhibit I-1

F	☐	Depth of tidal flooding, including future high tide flooding. The threshold for tidal flooding is 2 feet above mean higher high water. <i>(if applicable)</i>	
G	☐	Analysis geographically displays the number of tidal flood days expected for each scenario and planning horizon. <i>(to the extent practicable)</i>	
H	☐	Depth of current and future storm surge flooding using publicly available NOAA or FEMA storm surge data. <i>(check one, if applicable)</i> ☐ NOAA data ☐ FEMA data	
	H.1	☐ Initial storm surge event equals or exceeds current 100-year flood event. <i>(if applicable)</i>	
	H.2	☐ Higher frequency storm analyzed for exposure of a critical asset. <i>(optional, but must provide additional detail if included)</i>	
I	☐	Rainfall-induced flooding was considered using spatiotemporal analysis or existing hydrologic and hydraulic modeling results. <i>(to the extent practicable but required if item e is noncoastal)</i>	
	I.1	☐ Future boundary conditions have been modified to consider sea level rise and high tide conditions. For rainfall-induced flood modeling, the model inputs for the 2040/2070 rainfall scenarios should use projected sea level rise/high tide conditions. <i>(if applicable)</i>	
	I.2	☐ Depth of rainfall-induced flooding for 100-year storm and 500-year storm event. <i>(required if item e is noncoastal)</i>	
J	☐	Compound flooding or the combination of tidal, storm surge, and rainfall-induced flooding. <i>(to the extent practicable)</i>	

Part 3 – Subparagraph 380.093(3)(d)3., F.S.

Item ID	Check if Included	Item Description	Page Reference in VA Report (if applicable)
K	☐	All analyses in North American Vertical Datum of 1988.	
L	☐	Includes at least two local sea level rise scenarios, which must include the 2017 NOAA intermediate-low and intermediate-high sea level rise projections.	
M	☐	Includes at least two planning horizons, which must include years 2040 and 2070.	
N	☐	Utilizes local sea level data that has been interpolated between the two closest NOAA tide gauges.	
	N.1	☐ Local, publicly available, sea level data was taken from one of the two closest NOAA tide gauges. Data may be taken from one such gauge if the gauge has a higher mean sea level. <i>(if checked, provide Department approval).</i>	

Exhibit I-1

Identify all counties and municipalities that are included in this Vulnerability Assessment:

I certify that, to the Grantee’s knowledge, all information contained in this completed Vulnerability Assessment Compliance Checklist is true and accurate as of the date of the signature below.

Grantee's Grant Manager Signature

Print Name

Date

CITY OF DESTIN



AGENDA ITEM

COUNCIL MEETING DATE: March 18, 2024

TYPE OF AGENDA ITEM: Consent Agenda

AGENDA OUTLINE NUMBER: 3.C.

TO: City Council

THRU: Louis Zunguze, Interim City Manager
Lisa Firth, Parks & Rec Director
Krystal Strickland, Finance Director

FROM: Michael Burgess, Public Services Director

DATE: 02/28/2024

SUBJECT: Authorization to purchase four John Deere Gators for the Parks Department

I. BACKGROUND: The FY24 budget provides funding for the replacement of aging vehicles/equipment in the City's Fleet.

II. DISCUSSION: These 2024 John Deere HPX615E Gators will replace existing Gators (12-G1, 16-G1, 16-G2 and 17-G1) currently used by the Parks Department. A quote from Beard Equipment (via Sourcewell Grounds Maintenance Contract 031121-DAC, PG NB CG 70) is attached as ATT1. A photo of a HPX615E is provided as ATT2.

A. Link to Strategic Goals / Objectives: I. Financially Sound City providing Service Excellence

IV. Effective, Efficient, and Aesthetically Pleasing Infrastructure

B. Effect on Budget (EOB): The quote provided lists the price of one HPX615E as \$15,866.67. The total cost of four Gators would therefore be \$63,466.68.

	30058585-565000-RR572
	GF RR-Capital Item-Parks
	Replacements
	\$ 817,247
FY 24 Adopted Budget*	817,247
Previous Expenses/Encumbrances	(271,433)
Available Program Budget	545,814
This Agreement +(-)	(63,467)
FY 24 Remaining Program Budget	\$ 482,347

**FY 24 Adopted Budget includes Budget for Prior Year Encumbrances*

C. Level of Service (LOS): Replacement of aging equipment consistent with the City's Renewal and Replacement Program.

D. Legislative Sponsor:

III. CONCLUSION: By approving this item, staff will replace four gators in its current stock that range from 7 to 12 years old.

IV. RECOMMENDED MOTION: I move that the City Manager be authorized to issue a Purchase Order to Beard Equipment for four HPX615E Gators for the Parks Department.

Attachments:

1. ATT1: Destin HPX615E
2. ATT2: 2024 HPX615E photo

Customer:

Quotes are valid for 30 days from the creation date or upon contract expiration, whichever occurs first.

A Purchase Order (PO) or Letter of Intent (LOI) including the below information is required to proceed with this sale. The PO or LOI will be returned if information is missing.

Vendor: Deere & Company

- ☐ 2000 John Deere Run
Cary, NC 27513
- ☐ Signature on all LOIs and POs with a signature line
- ☐ Contract name or number; or JD Quote ID
- ☐ Sold to street address
- ☐ Ship to street address (no PO box)
- ☐ Bill to contact name and phone number
- ☐ Bill to address
- ☐ Bill to email address (required to send the invoice and/or to obtain the tax exemption certificate)
- ☐ Membership number if required by the contract

For any questions, please contact:

David Campbell

Beard Equipment Company
33 Industrial Ct
Freeport, FL 32439

Tel: 850-835-3337

Fax: 850-835-3339

Email: dcampbell@beardequipment.com

Quotes of equipment offered through contracts between Deere & Company, its divisions and subsidiaries (collectively "Deere") and government agencies are subject to audit and access by Deere's Strategic Accounts Business Division to ensure compliance with the terms and conditions of the contracts.

**ALL PURCHASE ORDERS MUST BE MADE OUT
TO (VENDOR):**

Deere & Company
2000 John Deere Run
Cary, NC 27513
FED ID: 36-2382580
UEID: FNSWEDARMK53

**ALL PURCHASE ORDERS MUST BE SENT
TO DELIVERING DEALER:**

Beard Equipment Company
33 Industrial Ct
Freeport, FL 32439
850-835-3337
JohnDeereEmails@beardequipment.com

Quote Summary**Prepared For:**

CITY OF DESTIN
PO BOX 399
DESTIN, FL 32540
Business: 828-626-2102

Delivering Dealer:

Beard Equipment Company
David Campbell
33 Industrial Ct
Freeport, FL 32439
Phone: 850-835-3337
dcampbell@beardequipment.com

Quote ID: 30065808
Created On: 07 December 2023
Last Modified On: 11 December 2023
Expiration Date: 29 December 2023

Equipment Summary	Suggested List	Selling Price	Qty	Extended
JOHN DEERE GATOR™HPX615E (Model Year 2024)	\$ 18,449.62	\$ 15,866.67 X	1 =	\$ 15,866.67
Contract: Sourcewell Grounds Maintenance 031121-DAC (PG NB CG 70)				
Price Effective Date: December 6, 2023				
Equipment Total				\$ 15,866.67

Quote Summary

Equipment Total	\$ 15,866.67
Trade In	
SubTotal	\$ 15,866.67
Est. Service Agreement Tax	\$ 0.00
Total	\$ 15,866.67
Balance Due	\$ 15,866.67

Salesperson : X _____**Accepted By : X** _____

Selling Equipment

Quote Id: 30065808

Customer Name: CITY OF DESTIN

ALL PURCHASE ORDERS MUST BE MADE OUT TO (VENDOR):

Deere & Company
2000 John Deere Run
Cary, NC 27513
FED ID: 36-2382580
UEID: FNSWEDARMK53

ALL PURCHASE ORDERS MUST BE SENT TO DELIVERING DEALER:

Beard Equipment Company
33 Industrial Ct
Freeport, FL 32439
850-835-3337
JohnDeereEmails@beardequipment.com

JOHN DEERE GATOR™HPX615E (Model Year 2024)

Hours:
Suggested List *
Stock Number:
\$ 18,449.62
Contract: Sourcewell Grounds Maintenance 031121-DAC
(PG NB CG 70)

Selling Price *
\$ 15,866.67
Price Effective Date: December 6, 2023

* Price per item - includes Fees and Non-contract items

Code	Description	Qty	List Price	Discount%	Discount Amount	Contract Price	Extended Contract Price
57GAM	GATOR™HPX615E (Model Year 2024)	1	\$ 14,899.00	14.00	\$ 2,085.86	\$ 12,813.14	\$ 12,813.14
Standard Options - Per Unit							
0202	United States	1	\$ 0.00	14.00	\$ 0.00	\$ 0.00	\$ 0.00
0505	Build To Order	1	\$ 0.00	14.00	\$ 0.00	\$ 0.00	\$ 0.00
1011	High-Performance All-Purpose (HPAP) Tires	1	\$ 0.00	14.00	\$ 0.00	\$ 0.00	\$ 0.00
2007	Standard Bench Seat - Black	1	\$ 0.00	14.00	\$ 0.00	\$ 0.00	\$ 0.00
2350	Park Position in Transmission	1	\$ 0.00	14.00	\$ 0.00	\$ 0.00	\$ 0.00
3003	Cargo Box with Spray In Liner, Brake and Tail Lights	1	\$ 573.00	14.00	\$ 80.22	\$ 492.78	\$ 492.78
3100	Cargo Box Power Lift	1	\$ 1,100.00	14.00	\$ 154.00	\$ 946.00	\$ 946.00
4000	OPS with Nets	1	\$ 0.00	14.00	\$ 0.00	\$ 0.00	\$ 0.00
4030	Black Poly Roof	1	\$ 591.00	14.00	\$ 82.74	\$ 508.26	\$ 508.26
4201	Front Brush Guard	1	\$ 330.00	14.00	\$ 46.20	\$ 283.80	\$ 283.80
Standard Options Total			\$ 2,594.00		\$ 363.16	\$ 2,230.84	\$ 2,230.84
Dealer Attachments/Non-Contract/Open Market							
BM25922	OPS Abrasion Resistant Full Windshield	1	\$ 834.29	14.00	\$ 116.80	\$ 717.49	\$ 717.49
BM25148	Occupant Protective Structure (OPS) Rear View Mirror	1	\$ 122.33	14.00	\$ 17.13	\$ 105.20	\$ 105.20
Dealer Attachments Total			\$ 956.62		\$ 133.93	\$ 822.69	\$ 822.69
Value Added Services Total			\$ 0.00			\$ 0.00	\$ 0.00

Selling Equipment

Quote Id: 30065808 **Customer Name:** CITY OF DESTIN

**ALL PURCHASE ORDERS MUST BE MADE OUT
TO (VENDOR):**

Deere & Company
2000 John Deere Run
Cary, NC 27513
FED ID: 36-2382580
UEID: FNSWEDARMK53

**ALL PURCHASE ORDERS MUST BE SENT
TO DELIVERING DEALER:**

Beard Equipment Company
33 Industrial Ct
Freeport, FL 32439
850-835-3337
JohnDeereEmails@beardequipment.com

Total Selling Price	\$ 18,449.62	\$ 2,582.95	\$ 15,866.67	\$ 15,866.67
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CITY OF DESTIN



AGENDA ITEM

COUNCIL MEETING DATE: March 18, 2024

TYPE OF AGENDA ITEM: Action Item

AGENDA OUTLINE NUMBER: 3.D.

TO: City Council

THRU: Louis Zunguze, Interim City Manager
Kimberly Kopp, City Attorney

FROM: Sheri Bethea, Sr. Administrative Services Coordinator
Krystal Strickland, Finance Director
Jeffrey Cozadd, Grants Manager

DATE: March 11, 2024
March 7, 2024

SUBJECT: Destin Fire District-Beach Safety Contract 2024

I. BACKGROUND: The City of Destin and Okaloosa County have provided funding for Beach Safety and Lifeguard Services in order to ensure the safety and enjoyment of the city's beaches. The City of Destin provided funding for Lifeguard Services to the Destin Fire Control District (DFCD) in the amount of \$50,000 beginning in FY 2005. This amount increased to \$80,000 in FY 2006 and to \$100,000 in FY 2007 to the present.

II. DISCUSSION: The attached interlocal agreement contains a Scope of Services which describes the services to be provided to the City of Destin beaches for the \$100,000 payment by the City for FY2024.

A. Link to Strategic Goals / Objectives: II. Enhanced quality of life and safety for families

B. Effect on Budget (EOB): Under the interlocal agreement, the city will provide \$100,000 to the Destin Fire Control District for Beach Safety and Lifeguard Services. This financial contribution is included in the approved FY2024 budget.

	0152140-534521
	Public Safety-Lifeguard
	Svcs
	\$ 100,000
FY 24 Adopted Budget*	100,000
Revised Budget	100,000
Previous Expenses/Encumbrances	-
Available Program Budget	100,000
This Agreement +(-)	(100,000)
FY 24 Remaining Program Budget	\$ -

**FY 24 Adopted Budget includes Budget for Prior Year Encumbrances*

C. Level of Service (LOS): This agreement will provide beach safety for residents and visitors and will promote public safety.

D. Legislative Sponsor:

III. CONCLUSION: The City of Destin has provided funds to the Destin Fire Control District since FY 2005 to fund Beach Safety and Lifeguard Services to ensure the safety and enjoyment of the city's beaches by residents and visitors. The proposed interlocal agreement between the City of Destin and the Destin Fire Control District, outlines the Scope of Services that will be provided for Spring Break and the one hundred (100) days of summer based on the city's contribution to these services and will enhance the service level provided by TDC funds from Okaloosa County.

IV. RECOMMENDED MOTION: I move to authorize the Mayor to execute the Interlocal Agreement between the Destin Fire Control District and the City of Destin to provide Beach Safety and Lifeguard Services on the City of Destin beaches for FY2024.

Attachments:

1. Destin Fire Interlocal Agreement City of Destin - Beach Safety FY24
2. Destin Fire Interlocal Agreement City of Destin - Beach Safety FY23
3. 2023 Annual Report for City of Destin
4. Destin Fire Stats Summary

**INTERLOCAL AGREEMENT FOR
BEACH SAFETY AND LIFEGUARD SERVICES**

THIS INTERLOCAL AGREEMENT (the “Agreement”) is made and entered into on the effective date below, by and between the CITY OF DESTIN, a political subdivision of the State of Florida (hereinafter referred to as “the City”) and DESTIN FIRE CONTROL DISTRICT, an independent special district (hereinafter referred to as “the District”).

WHEREAS, the City finds that enhancing the safety of its beaches is an essential component of promoting the City as a tourist destination; and

WHEREAS, the presence of lifeguards will promote safety and encourage enjoyment of the beaches; and

WHEREAS, the City desires beach safety and lifeguard services; and

WHEREAS, the District has offered to render certain beach safety and lifeguard services as more fully described in this Agreement, and has the qualifications, experience and resources to perform such services; and

WHEREAS, the City determines it would be in the best interest of the health, safety and welfare of its citizens and visitors to enter into this Agreement with the District for the rendering of those services described in this Agreement.

NOW, THEREFORE, acting pursuant to their statutory authority and in consideration of the mutual covenants and agreements of the parties, the City and the District agree as follows:

**SECTION I.
AUTHORITY**

1.1 This Agreement is entered into pursuant to the provisions of Section 163.01, Florida Statutes, (hereinafter referred to as the “Act”) and other applicable provisions of law.

**SECTION II.
PARTIES**

2.1 The parties to this Agreement are the City and the District.

**SECTION III.
FINDINGS**

3.1 The recitals set forth above are hereby approved and incorporated herein.

**SECTION IV.
TERM OF AGREEMENT**

4.1 The term of this Agreement shall be for one (1) fiscal year effective October 1, 2023, through September 30, 2024.

4.2 Termination. In the event the City declares a financial emergency as defined by the Florida Auditor General, the City shall provide a thirty (30) day notice and be relieved of any obligations as it pertains to this Agreement and the District will no longer provide the Scope of Services as outlined in **EXHIBIT A**.

SECTION V. **COMPENSATION**

5.1 The City agrees to pay the District for full and timely performance of its obligations hereunder, a total amount of ONE HUNDRED THOUSAND DOLLARS (\$100,000.00) the fiscal year beginning October 1, 2023 (“2024 Contract Amount”).

5.2 Payment will be made in equal amounts by the 15th of each month for the services provided as described in the Scope of Services as set forth in **EXHIBIT A**.

SECTION VI. **SCOPE OF WORK**

6.1 The District shall provide beach safety and lifeguard services as more fully described in the Scope of Services set forth in **EXHIBIT A** attached hereto and incorporated by reference.

6.2 The District shall provide a point-of-contact for the services provided under this Agreement. The point of contact shall be available to the City at all times as necessary for the proper performance of this Agreement by the District.

6.3 The District shall place the City of Destin’s logo (“Logo”) on equipment and vehicles used to provide services under this Agreement. Said Logo shall be provided by the City and shall be non-permanent. Additionally, the District agrees to work with the City to enhance marketing efforts of the City of Destin. Such marketing efforts shall include, but not be limited to, social media development and interaction, public relations and publicity initiatives, webpage links and landing pages, and photograph and video.

SECTION VII. **RECORDS AND REPORTING**

7.1 For the services performed under this Agreement, the District shall maintain books, records, documents, and other evidence according to generally accepted governmental accounting principles, procedures, and practices which sufficiently and properly reflect all costs and expenditures of any nature, incurred by the District in connection with the services performed under this Agreement or otherwise paid or to be paid from either incremental revenues or the proceeds of increment obligations, and said books, records, documents and other instruments shall be retained by the District for a period of three (3) full years after termination of this Agreement. However, notwithstanding the above, no books, records, documents or other evidence reflecting all costs and expenditures incurred under this Agreement shall be destroyed until proper authorization for the disposal has been received pursuant to Florida Law.

IF THE DISTRICT HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE DISTRICT’S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT OFFICE OF THE CITY CLERK, City of Destin 4200 Indian Bayou Trail Destin, Florida 32541: (850) 837-4242 rbailey@cityofdestin.com.

7.2 The District must comply with the public records laws, Chapter 119, Florida Statutes, specifically the District must:

- a. Keep and maintain public records required by the City to perform the service.
- b. Upon request from the City's custodian of public records, provide the City with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in chapter 119 Florida Statutes or as otherwise provided by law.
- c. Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of the contract term and following completion of the contract if the District does not transfer the records to the City.

7.3 Upon completion of the contract, transfer, at no cost, to the City all public records in possession of the District or keep and maintain public records required by the City to perform the service. If the District transfers all public records to the public agency upon completion of the Agreement, the District shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If the District keeps and maintains public records upon completion of the Agreement, the District shall meet all applicable requirements for retaining the public records. All records stored electronically must be provided to the public agency, upon the request from the public agency's custodian of public records, in a format that is compatible with the information technology systems of the public agency.

SECTION VIII.

AUDIT

8.1 The City shall have the right from time to time at its sole expense to audit the compliance by the District with the terms, conditions, obligations, limitations, restrictions and requirements of this Agreement and such right shall extend for a period of three (3) years after termination of this Agreement.

8.2 The City shall have full access, for inspection, review, and audit purposes, to all items referred to in Section VII above and shall comply with all public records laws.

SECTION IX.

REPRESENTATIONS AND WARRANTIES

9.1 The City does hereby represent and warrant to the District that it has all requisite power, authority, and authorization to enter into this Agreement, has taken all necessary actions required to enter into this Agreement, and to fulfill any and all of its obligations, duties, and responsibilities provided for or required of it by this Agreement, whether exercised individually or collectively.

9.2 The District does hereby represent and warrant to the City that it has all requisite power, authority, and authorization to enter into this Agreement, has taken all necessary actions required to enter into this Agreement, make any payment contemplated hereby, and to fulfill any and all of its obligations, duties, and responsibilities provided for or required of it by this Agreement, whether exercised individually or collectively.

SECTION X. AMENDMENTS

10.1 Neither this Agreement nor any portion of it may be modified or waived orally. The provisions hereof may be amended or waived only pursuant to an instrument in writing, approved by the parties hereto. Any party to this Agreement shall have the right, but not obligation, to waive any right or rights, limitation or limitations, or condition or conditions herein reserved or intended for the benefit of such party without being deemed to have waived other rights, limitations, or conditions. However, any such waiver shall be valid only if expressly granted in writing as described above.

SECTION XI. DISPUTE RESOLUTION

11.1 The parties shall attempt to resolve any disputes that arise under this Agreement in good faith and in accordance with the provisions of the Florida Governmental Conflict Resolution Act as set forth in Sections 164.101-164.1061, Florida Statutes ("FGCRA").

11.2 To the extent that the parties are unable to resolve this dispute through the provisions of the FGCRA, then within thirty (30) days, the parties shall be required to participate in mediation. The cost of the mediation shall be borne equally between the parties. The mediator shall be mutually agreed upon by the parties.

11.3 In the event that the matter is not resolved through the mediation process, each party shall be free to pursue any of its available remedies.

11.4 Attorneys' Fees and Recoverable Costs

a. In the event of a legal action or other proceeding arising under this Agreement or a dispute regarding any alleged breach, default, claim, or misrepresentation arising out of this Agreement, whether or not a lawsuit or other proceeding is filed, the prevailing party shall be entitled to recover its reasonable attorneys' fees and costs, whether incurred before suit, during suit, or at the appellate level. This Section shall apply to any disputes brought under the FGCRA.

b. Recoverable Costs. The reasonable costs that the prevailing party shall be entitled to recover pursuant to Agreement shall include any costs that are taxable pursuant to any applicable statute, rule, or guideline (including, but not limited to, the Statewide Uniform Guidelines for Taxation of Costs).

SECTION XII. SEVERABILITY

12.1 If any one or more of the covenants, agreements or provisions of this Agreement shall be held contrary to any express provision of law or contrary to any policy of express law, then the remainder of this agreement shall remain in full force and effect.

SECTION XIII.
CONTROLLING LAW

13.1 All covenants, stipulations, obligations and agreements of the City and the District contained in this Agreement shall be deemed to be covenants, stipulations, obligations and agreements of each of the City and the District to the full extent authorized by the Act and provided by the Constitution and laws of the State of Florida. The laws of the State of Florida shall govern any and all provisions of this Agreement and any proceeding seeking to enforce or challenge any provision of this Agreement. Venue for any proceeding pertaining to this Agreement shall be exclusively in Okaloosa County, Florida.

SECTION XIV.
NOTICE

14.1 If written notice to a party is required under this Agreement, such notice shall be given by hand delivery, recognized overnight delivery service, or by first class mail, registered and return receipt requested.

As to the City as follows:

Louis Zunguze
Interim City Manager
City of Destin
4200 Indian Bayou Trail
Destin, Florida 32541

As to the District as follows:

Chief Kevin Sasser
Fire Chief
Destin Fire Control District
848 Airport Road
Destin, Florida 32541

SECTION XV.
NO MEMBER LIABILITY

15.1 Neither the members of the governing body of the City, the District, nor any official executing this Agreement, shall be liable personally or shall be subject to any accountability for reason of the execution by the City, the District or any executing authority of the City or the District for any act pertaining thereto.

SECTION XVI.
FORCE MAJEURE

16.1 A party's timely performance of its obligations under this Agreement, only to the extent it is specifically affected thereby, shall be suspended, without forfeiture of any performance bond or the incurring of any financial liability, when and only for as long as performance of such obligations is prevented by reasons of any of the following cases: (i) acts of God, including without limitation severe weather events, (ii) operation of law, and (iii) any other event beyond the reasonable

control of the party whose performance is affected, to the extent not caused by such party's willful or negligent acts or omissions, except in those cases where the party could not have reasonably foreseen and reasonably avoided the occurrence. The party affected by any such event shall give written notice thereof to the other party as soon as practicable after it becomes aware of such an event and, to the extent practicable, shall specify the anticipated length of the delay. The affected party shall use reasonable efforts to minimize the impact of that delay on that party's performance. Neither party shall be liable to the other for damages caused by such events. This provision shall not apply to obligations to make payments under Section V of this Agreement.

SECTION XVII.

FILING

17.1 The City and the District are hereby authorized and directed after approval of this Agreement by the City and the District and the execution thereof by the duly qualified and authorized officers of each of the parties hereto, to file this Agreement with the Clerk of the Circuit Court of Okaloosa County, Florida for recording in the public records of Okaloosa County, Florida as provided in Section 163.01(11), Florida Statutes.

SECTION XVIII.

SOVEREIGN IMMUNITY

18.1 The parties further agree that nothing contained herein is intended to nor shall be construed a waiver of the City or District's rights and immunities under the common law or Section 768.28, Florida Statutes, as amended from time to time.

SECTION XIX.

INSURANCE, LIABILITY AND INDEMNIFICATION

19.1 The District shall be an independent contractor in regard to the services provided herein and shall not be deemed to be the agent of the City.

19.2 During the term of this Agreement, the District shall have in force general liability insurance with limits of at least \$1,000,000.00 per occurrence and \$3,000,000.00 aggregate naming the City as an Additional Insured and Certificate Holder covering any liability, claim, damage or lawsuit, excluding claims for a taking of property or inverse condemnation, resulting from the actions of the District or its employees, officers or agents in the performance of its responsibilities under this Agreement.

19.3 The District agrees that it shall be fully responsible for all claims, liabilities, damages, costs, actions, suits or proceedings at law or in equity which may occur as a result of the wrongful or negligent acts of its officers, employees, representatives, and agents. The District shall indemnify and hold the City harmless from any and all liability resulting from the wrongful or negligent acts of officers, employees, representative, and agents.

19.4 Any contractor or consultant engaged by the District for work under this Agreement shall be required to protect, defend, indemnify and hold the District and City harmless from all claims, demands, causes of action or liability resulting from injury to or death of persons or damage to or loss of property sustained as a consequence of the Agreement and arising from the said contractor's or vendor's operations or as a proximate result of the acts or omissions of the

contractor, consultant or their employees. Such agreement by the contractor or consultant shall include their indemnification as to any assessment of an administrative fine or penalty by a governmental entity for a violation of conditions of any required permit related to their actions or failure to act in carrying out their contractual duties. The District shall require the provisions of this section to be included in all contracts between the District and its contractors and consultants for work or services to occur under this Agreement.

SECTION XX.
CONSTRUCTION

20.1 The Parties have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provision of this Agreement.

[Remainder of the page left intentionally blank]
[Signatures appear on the following page]

IN WITNESS WHEREOF, the parties hereto, by and through the undersigned, have entered into this Agreement on the date and year first above written.

DESTIN CITY COUNCIL
DESTIN, FLORIDA

By: _____
Bobby Wagner
Its: Mayor

Dated: _____

ATTEST:

By: _____
Rey Baily
Its: City Clerk

Approved as to form and legal sufficiency:

Kim Kopp
Its: City Attorney

DESTIN FIRE CONTROL DISTRICT

By: _____
Richard D. Moore
Its: Chairman

Dated: _____

ATTEST

By: _____
Kathryn Wagner
Its: District Clerk

Approved as to form and legal sufficiency:

Dana C. Matthews II
Matthews & Jones, LLP
Its: District Attorney

EXHIBIT A

SCOPE OF SERVICES

The District shall supply two (2) lifeguards with towers at Norriego Point Beach Park and one (1) lifeguard with tower and one (1) lifeguard with a Jet Ski at O'Steen Beach Trail during the specified time frames as described below.

The beach safety and lifeguard services shall include, but not be limited to, beach safety education; supervising beach areas from assigned lifeguard locations; patrol vessel; performing rescue and accident prevention activities at the beach and in the open water environment; monitoring and advising beach and water users of local, state and federal laws, rules, and ordinances; providing and coordinating emergency medical and water-rescue activities and emergency response.

Priority duties include:

- The District will provide service for the O'Steen Beach Trail and Norriego Point Beach Park from the Saturday, May 27th through Sunday, August 13th from 8:00am to 6:00pm.
- The District shall assess the prevailing surf conditions daily, in accordance with United States Lifesaving Association ("USLA") and International Life Saving Federation ("ILSF") standards determine the appropriate beach safety flag and based on that assessment, change the beach flags to reflect the appropriate color and provide lifesaving services. The flag color will be posted no later than 9:30 a.m. daily on the Destin Beach Safety Facebook page.
- Implement the District's beach safety standard operating guidelines so as to best minimize risk to the public and for the safe and efficient operation of lifeguarding service.
- Closely monitoring all aquatic users within designated areas of supervision.
- Maintaining a proactive approach to beach and water safety by advising the public, when necessary, of dangers and providing advice to best minimize risk.
- Educating the public on beach safety and the beach flag system.
- Establishing a social media page that is proactively updated with the current beach flag status and is used to message beach safety information to the public during the season.
- Carrying out the rescue of any person(s) in difficulty and informing other services if and when backup is required.
- The District will provide a monthly invoice to the City with key metrics of the District's services for that month.
- Carrying out the other duties such as Emergency Medical Response and Minor First Aid, Dry-Land and In-Water Missing Person Searches, and Safety Interventions and Preventive Actions as required prevent/treat death of injury, minimizing risk, and maintaining public safety. Providing written reports of incidents and Daily Activity Reports (DAR's) for required beach statistics.
- Monitoring the condition of lifeguard equipment and repair/replace as necessary.
- Undertaking scheduled cleaning and maintenance of surf rescue equipment and facilities on a daily, weekly and monthly basis and repair/replace as needed.
- Maintain personnel training, curriculum, and equipment standards that meet or exceed the standards established by the United States Lifesaving Association's Lifesaving Agency Certification Program.
- Provide an annual comprehensive report to the City Manager which includes, but is not limited to, the following performance measures: (1) the number of personnel used to deliver lifeguard services, (2) the cost of all personnel services, (3) lifesaving activities for the season to include preventative actions and rescues performed, and (4) drowning fatalities in guarded and unguarded areas. The report shall be submitted no later than the end of business on August 7th. If mid-year requests for statistics are needed, the City Manager's office will coordinate with the Beach Safety Division.

**INTERLOCAL AGREEMENT FOR
BEACH SAFETY AND LIFEGUARD SERVICES**

THIS INTERLOCAL AGREEMENT (the "Agreement") is made and entered into on the effective date below, by and between the CITY OF DESTIN, a political subdivision of the State of Florida (hereinafter referred to as "the City") and DESTIN FIRE CONTROL DISTRICT, an independent special district (hereinafter referred to as "the District").

WHEREAS, the City finds that enhancing the safety of its beaches is an essential component of promoting the City as a tourist destination; and

WHEREAS, the presence of lifeguards will promote safety and encourage enjoyment of the beaches; and

WHEREAS, the City desires beach safety and lifeguard services; and

WHEREAS, the District has offered to render certain beach safety and lifeguard services as more fully described in this Agreement, and has the qualifications, experience and resources to perform such services; and

WHEREAS, the City determines it would be in the best interest of the health, safety and welfare of its citizens and visitors to enter into this Agreement with the District for the rendering of those services described in this Agreement.

NOW, THEREFORE, acting pursuant to their statutory authority and in consideration of the mutual covenants and agreements of the parties, the City and the District agree as follows:

**SECTION I.
AUTHORITY**

1.1 This Agreement is entered into pursuant to the provisions of Section 163.01, Florida Statutes, (hereinafter referred to as the "Act") and other applicable provisions of law.

**SECTION II.
PARTIES**

2.1 The parties to this Agreement are the City and the District.

**SECTION III.
FINDINGS**

3.1 The recitals set forth above are hereby approved and incorporated herein.

**SECTION IV.
TERM OF AGREEMENT**

4.1 The term of this Agreement shall be for one (1) fiscal year effective October 1, 2022, through September 30, 2023.

4.2 Termination. In the event the City declares a financial emergency as defined by the Florida Auditor General, the City shall provide a thirty (30) day notice and be relieved of any obligations as it pertains to this Agreement and the District will no longer provide the Scope of Services as outlined in **EXHIBIT A**.

SECTION V. COMPENSATION

5.1 The City agrees to pay the District for full and timely performance of its obligations hereunder, a total amount of ONE HUNDRED THOUSAND DOLLARS (\$100,000.00) the fiscal year beginning October 1, 2022 ("2023 Contract Amount").

5.2 Payment will be made in equal amounts by the 15th of each month for the services provided as described in the Scope of Services as set forth in **EXHIBIT A**.

SECTION VI. SCOPE OF WORK

6.1 The District shall provide beach safety and lifeguard services as more fully described in the Scope of Services set forth in **EXHIBIT A** attached hereto and incorporated by reference.

6.2 The District shall provide a point-of-contact for the services provided under this Agreement. The point of contact shall be available to the City at all times as necessary for the proper performance of this Agreement by the District.

6.3 The District shall place the City of Destin's logo ("Logo") on equipment and vehicles used to provide services under this Agreement. Said Logo shall be provided by the City and shall be non-permanent. Additionally, the District agrees to work with the City to enhance marketing efforts of the City of Destin. Such marketing efforts shall include, but not be limited to, social media development and interaction, public relations and publicity initiatives, webpage links and landing pages, and photograph and video.

SECTION VII. RECORDS AND REPORTING

7.1 For the services performed under this Agreement, the District shall maintain books, records, documents, and other evidence according to generally accepted governmental accounting principles, procedures, and practices which sufficiently and properly reflect all costs and expenditures of any nature, incurred by the District in connection with the services performed under this Agreement or otherwise paid or to be paid from either incremental revenues or the proceeds of increment obligations, and said books, records, documents and other instruments shall be retained by the District for a period of three (3) full years after termination of this Agreement. However, notwithstanding the above, no books, records, documents or other evidence reflecting all costs and expenditures incurred under this Agreement shall be destroyed until proper authorization for the disposal has been received pursuant to Florida Law.

IF THE DISTRICT HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE DISTRICT'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT OFFICE OF THE CITY CLERK, City of Destin 4200 Indian Bayou Trail Destin, Florida 32541: (850) 837-4242 rbailey@cityofdestin.com.

7.2 The District must comply with the public records laws, Chapter 119, Florida Statutes, specifically the District must:

- a. Keep and maintain public records required by the City to perform the service.
- b. Upon request from the City's custodian of public records, provide the City with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in chapter 119 Florida Statutes or as otherwise provided by law.
- c. Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of the contract term and following completion of the contract if the District does not transfer the records to the City.

7.3 Upon completion of the contract, transfer, at no cost, to the City all public records in possession of the District or keep and maintain public records required by the City to perform the service. If the District transfers all public records to the public agency upon completion of the Agreement, the District shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If the District keeps and maintains public records upon completion of the Agreement, the District shall meet all applicable requirements for retaining the public records. All records stored electronically must be provided to the public agency, upon the request from the public agency's custodian of public records, in a format that is compatible with the information technology systems of the public agency.

SECTION VIII.

AUDIT

8.1 The City shall have the right from time to time at its sole expense to audit the compliance by the District with the terms, conditions, obligations, limitations, restrictions and requirements of this Agreement and such right shall extend for a period of three (3) years after termination of this Agreement.

8.2 The City shall have full access, for inspection, review, and audit purposes, to all items referred to in Section VII above and shall comply with all public records laws.

SECTION IX.

REPRESENTATIONS AND WARRANTIES

9.1 The City does hereby represent and warrant to the District that it has all requisite power, authority, and authorization to enter into this Agreement, has taken all necessary actions required to enter into this Agreement, and to fulfill any and all of its obligations, duties, and responsibilities provided for or required of it by this Agreement, whether exercised individually or collectively.

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SECTION X. **AMENDMENTS**

10.1 Neither this Agreement nor any portion of it may be modified or waived orally. The provisions hereof may be amended or waived only pursuant to an instrument in writing, approved by the parties hereto. Any party to this Agreement shall have the right, but not obligation, to waive any right or rights, limitation or limitations, or condition or conditions herein reserved or intended for the benefit of such party without being deemed to have waived other rights, limitations, or conditions. However, any such waiver shall be valid only if expressly granted in writing as described above.

SECTION XI. **DISPUTE RESOLUTION**

11.1 The parties shall attempt to resolve any disputes that arise under this Agreement in good faith and in accordance with the provisions of the Florida Governmental Conflict Resolution Act as set forth in Sections 164.101-164.1061, Florida Statutes ("FGCRA").

11.2 To the extent that the parties are unable to resolve this dispute through the provisions of the FGCRA, then within thirty (30) days, the parties shall be required to participate in mediation. The cost of the mediation shall be borne equally between the parties. The mediator shall be mutually agreed upon by the parties.

11.3 In the event that the matter is not resolved through the mediation process, each party shall be free to pursue any of its available remedies.

11.4 Attorneys' Fees and Recoverable Costs

a. In the event of a legal action or other proceeding arising under this Agreement or a dispute regarding any alleged breach, default, claim, or misrepresentation arising out of this Agreement, whether or not a lawsuit or other proceeding is filed, the prevailing party shall be entitled to recover its reasonable attorneys' fees and costs, whether incurred before suit, during suit, or at the appellate level. This Section shall apply to any disputes brought under the FGCRA.

b. Recoverable Costs. The reasonable costs that the prevailing party shall be entitled to recover pursuant to Agreement shall include any costs that are taxable pursuant to any applicable statute, rule, or guideline (including, but not limited to, the Statewide Uniform Guidelines for Taxation of Costs).

SECTION XII. **SEVERABILITY**

12.1 If any one or more of the covenants, agreements or provisions of this Agreement shall be held contrary to any express provision of law or contrary to any policy of express law, then the remainder of this agreement shall remain in full force and effect.

SECTION XIII. **CONTROLLING LAW**

13.1 All covenants, stipulations, obligations and agreements of the City and the District contained in this Agreement shall be deemed to be covenants, stipulations, obligations and agreements of each of the City and the District to the full extent authorized by the Act and provided by the

Constitution and laws of the State of Florida. The laws of the State of Florida shall govern any and all provisions of this Agreement and any proceeding seeking to enforce or challenge any provision of this Agreement. Venue for any proceeding pertaining to this Agreement shall be exclusively in Okaloosa County, Florida.

SECTION XIV.

NOTICE

14.1 If written notice to a party is required under this Agreement, such notice shall be given by hand delivery, recognized overnight delivery service, or by first class mail, registered and return receipt requested.

As to the City as follows:

Lance A. Johnson
City Manager
City of Destin
4200 Indian Bayou Trail
Destin, Florida 32541

As to the District as follows:

Chief Kevin Sasser
Fire Chief
Destin Fire Control District
848 Airport Road
Destin, Florida 32541

SECTION XV.

NO MEMBER LIABILITY

15.1 Neither the members of the governing body of the City, the District, nor any official executing this Agreement, shall be liable personally or shall be subject to any accountability for reason of the execution by the City, the District or any executing authority of the City or the District for any act pertaining thereto.

SECTION XVI.

FORCE MAJEURE

16.1 A party's timely performance of its obligations under this Agreement, only to the extent it is specifically affected thereby, shall be suspended, without forfeiture of any performance bond or the incurring of any financial liability, when and only for as long as performance of such obligations is prevented by reasons of any of the following cases: (i) acts of God, including without limitation severe weather events, (ii) operation of law, and (iii) any other event beyond the reasonable control of the party whose performance is affected, to the extent not caused by such party's willful or negligent acts or omissions, except in those cases where the party could not have reasonably foreseen and reasonably avoided the occurrence. The party affected by any such event shall give written notice thereof to the other party as soon as practicable after it becomes aware of such an event and, to the extent practicable, shall specify the anticipated length of the delay. The affected party shall use reasonable efforts to minimize the impact of that delay on that party's performance. Neither party

shall be liable to the other for damages caused by such events. This provision shall not apply to obligations to make payments under Section V of this Agreement.

SECTION XVII. FILING

17.1 The City and the District are hereby authorized and directed after approval of this Agreement by the City and the District and the execution thereof by the duly qualified and authorized officers of each of the parties hereto, to file this Agreement with the Clerk of the Circuit Court of Okaloosa County, Florida for recording in the public records of Okaloosa County, Florida as provided in Section 163.01(11), Florida Statutes.

SECTION XVIII. SOVEREIGN IMMUNITY

18.1 The parties further agree that nothing contained herein is intended to nor shall be construed a waiver of the City or District's rights and immunities under the common law or Section 768.28, Florida Statutes, as amended from time to time.

SECTION XIX. INSURANCE, LIABILITY AND INDEMNIFICATION

19.1 The District shall be an independent contractor in regard to the services provided herein and shall not be deemed to be the agent of the City.

19.2 During the term of this Agreement, the District shall have in force general liability insurance with limits of at least \$1,000,000.00 per occurrence and \$3,000,000.00 aggregate naming the City as an Additional Insured and Certificate Holder covering any liability, claim, damage or lawsuit, excluding claims for a taking of property or inverse condemnation, resulting from the actions of the District or its employees, officers or agents in the performance of its responsibilities under this Agreement.

19.3 The District agrees that it shall be fully responsible for all claims, liabilities, damages, costs, actions, suits or proceedings at law or in equity which may occur as a result of the wrongful or negligent acts of its officers, employees, representatives, and agents. The District shall indemnify and hold the City harmless from any and all liability resulting from the wrongful or negligent acts of officers, employees, representative, and agents.

19.4 Any contractor or consultant engaged by the District for work under this Agreement shall be required to protect, defend, indemnify and hold the District and City harmless from all claims, demands, causes of action or liability resulting from injury to or death of persons or damage to or loss of property sustained as a consequence of the Agreement and arising from the said contractor's or vendor's operations or as a proximate result of the acts or omissions of the contractor, consultant or their employees. Such agreement by the contractor or consultant shall include their indemnification as to any assessment of an administrative fine or penalty by a governmental entity for a violation of conditions of any required permit related to their actions or failure to act in carrying out their contractual duties. The District shall require the provisions of this section to be included in all contracts between the District and its contractors and consultants for work or services to occur under this Agreement.

SECTION XX.
CONSTRUCTION

20.1 The Parties have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provision of this Agreement.

[Remainder of the page left intentionally blank]
[Signatures appear on the following page]

IN WITNESS WHEREOF, the parties hereto, by and through the undersigned, have entered into this Agreement on the date and year first above written.

**DESTIN CITY COUNCIL
DESTIN, FLORIDA**

By: [Signature]
Bobby Wagner
Its: Mayor

Dated: Aug 15, 2023

ATTEST:

By: [Signature]
Rey Bailly
Its: City Clerk

Approved as to form and legal sufficiency:

[Signature]
Kyle Bauman
Its: ~~City Attorney~~ *Special Project Attorney*

DESTIN FIRE CONTROL DISTRICT

By: [Signature]
Richard D. Moore
Its: Chairman

Dated: May 9, 2023

ATTEST

By: [Signature]
Kathryn Wagner
Its: District Clerk

Approved as to form and legal sufficiency:

[Signature]
Dana C. Matthews II
Matthews & Jones, LLP
Its: District Attorney

EXHIBIT A
SCOPE OF SERVICES

The District shall supply two (2) lifeguards with towers at Norriego Point Beach Park and one (1) lifeguard with tower and one (1) lifeguard with a Jet Ski at O'Steen Beach Trail during the specified time frames as described below.

The beach safety and lifeguard services shall include, but not be limited to, beach safety education; supervising beach areas from assigned lifeguard locations; patrol vessel; performing rescue and accident prevention activities at the beach and in the open water environment; monitoring and advising beach and water users of local, state and federal laws, rules, and ordinances; providing and coordinating emergency medical and water-rescue activities and emergency response.

Priority duties include:

- The District will provide service for the O'Steen Beach Trail and Norriego Point Beach Park from the Saturday, May 27th through Sunday, August 13th from 8:00am to 6:00pm.
- The District shall assess the prevailing surf conditions daily, in accordance with United States Lifesaving Association ("USLA") and International Life Saving Federation ("ILSF") standards determine the appropriate beach safety flag and based on that assessment, change the beach flags to reflect the appropriate color and provide lifesaving services. The flag color will be posted no later than 9:30 a.m. daily on the Destin Beach Safety Facebook page.
- Implement the District's beach safety standard operating guidelines so as to best minimize risk to the public and for the safe and efficient operation of lifeguarding service.
- Closely monitoring all aquatic users within designated areas of supervision.
- Maintaining a proactive approach to beach and water safety by advising the public, when necessary, of dangers and providing advice to best minimize risk.
- Educating the public on beach safety and the beach flag system.
- Establishing a social media page that is proactively updated with the current beach flag status and is used to message beach safety information to the public during the season.
- Carrying out the rescue of any person(s) in difficulty and informing other services if and when backup is required.
- The District will provide a monthly invoice to the City with key metrics of the District's services for that month.
- Carrying out the other duties such as Emergency Medical Response and Minor First Aid, Dry-Land and In-Water Missing Person Searches, and Safety Interventions and Preventive Actions as required prevent/treat death of injury, minimizing risk, and maintaining public safety. Providing written reports of incidents and Daily Activity Reports (DAR's) for required beach statistics.
- Monitoring the condition of lifeguard equipment and repair/replace as necessary.
- Undertaking scheduled cleaning and maintenance of surf rescue equipment and facilities on a daily, weekly and monthly basis and repair/replace as needed.
- Maintain personnel training, curriculum, and equipment standards that meet or exceed the standards established by the United States Lifesaving Association's Lifesaving Agency Certification Program.

- Provide an annual comprehensive report to the City Manager which includes, but is not limited to, the following performance measures: (1) the number of personnel used to deliver lifeguard services, (2) the cost of all personnel services, (3) lifesaving activities for the season to include preventative actions and rescues performed, and (4) drowning fatalities in guarded and unguarded areas. The report shall be submitted no later than the end of business on August 7th. If mid-year requests for statistics are needed, the City Manager's office will coordinate with the Beach Safety Division.

DESTIN FIRE CONTROL DISTRICT

BEACH SAFETY DIVISION

2023 ANNUAL REPORT



- The Beach Safety Division is responsible for providing beach and ocean lifeguard services. After 19 years of service, procedures and equipment have changed, but the primary goal of protecting swimmers in the gulf has not. There are two programs within Beach Safety designed to help the division reach the goal of ensuring public safety on the beach: (1) Lifeguard Operations – which provides lifesaving services along the beaches; and (2) the Prevention/Education Program which attempts to reach residents and visitors with beach and ocean safety education. This includes the Junior Lifeguard program that is geared towards our local youths.
- The Division operated nine four-wheel drive rescue vehicles, three rescue-equipped personal watercraft, four towers and 17 chairs during the season.
- The Division employed one full-time division chief, two full-time Lieutenants, one full-time officer and approximately 50 part-time seasonal lifeguards during the season.
- The Beach Safety Division maintains a standardized beach safety program. The District has been designated as a Certified Lifeguard Agency by the United States Lifesaving Association. USLA certification is intended to recognize and encourage higher training standards, longer training periods, and other requirements. Lifeguards also receive training in First Aid, CPR, and AED.
- As of August 2, 2023 Beach Safety Division aided with 229,232 preventative acts, 47 boat and personal watercraft infractions, 63 major medical responses, 252 minor aid request, 86 missing and lost persons, 148 assists and 136 people rescued, all with an attendance of 1,623,454 individuals. There were two drowning fatality in guarded areas.
- Personnel costs consume approximately 89% of the Beach Safety Division's budget at a cost of \$1,245,640.

Destin Fire Reports



Tamara Young

To Senior Leaders

Cc Sheri Bethea; Cindy Runyon



2023 Annual Report for City of Destin.pdf

← Reply

 Reply All

→ Forward

Thu 2/8/2024 2:

Senior Leaders: Several staff members met with Destin Fire/Destin Beach Safety folks recently and, as we continue to work with them toward an agreement, we are tracking down additional information. The 2023 Annual Report and latest summary stats are included here.

Please note the stats summary as provided is from March-October 2023.

Attendance	Minor First Aids	Major First Aids	Public Contacts	Preventative Acts	Missing Persons	Lost Persons	Persons Rescued	Assits	Boat Infractions	PWC Infractions	Marine Life Stings	Educational Pamphlet
2,219,467	386	80	617,565	256,747	86	22	149	167	24	26	25	-
					108							

**MINUTES
STRATEGIC PLANNING AND VISIONING SESSION
DESTIN CITY COUNCIL
FEBRUARY 29, 2024
CITY HALL ANNEX COUNCIL CHAMBERS
8:00 AM**

The Council of the City of Destin met in regular session with the following members and staff present:

Destin City Council

Mayor Bobby Wagner

Councilmember Kevin Schmidt

Councilmember Terésa Hebert

Councilmember Torey Geile

Councilmember Jim Bagby

Councilmember Johnny King

Councilmember John Stephens

Destin City Staff

Interim City Manager Louis Zunguze

Public Works Director Michael Burgess

Grants/Project Manager Jeffrey Cozadd

Parks & Recreation Director Lisa Firth

Deputy Parks & Recreation Director Ryan Reed

Building Official Noell Bell

Finance Director Krystal Strickland

Code Compliance Director Troy Williams

Dep. Code Compliance Director Brian Davis

Land Use Attorney Kimberly Kopp

City Clerk Rey Bailey

Senior Accountant Kamilla, Merrell

City Engineer Ryan Scott

Principal Planner Steve O'Connor

Human Resources Manager Jamie Haynes

IT Director Andy Peters

Public Information Manager Tamara Young

Library Director Wen Livingston

Code Compliance Officer Ross Haynes

Librarian Sydney Schemerhorn

CALL TO ORDER, INVOCATION AND PLEDGE OF ALLEGIANCE

Mayor Bobby Wagner called the meeting to order at 8:30 AM; followed by the recitation of the Pledge of Allegiance.

1. Welcome and Introduction

The Interim City Manager opened the session with welcoming remarks, emphasizing the collective effort to shape the future of Destin. He highlighted the city's achievements and the ongoing commitment to address challenges and realize the vision for Destin.

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Slide Presentation

Key Elements for Success:

- Effective Governance
- Infrastructure
- Economic Development
- Public Safety

- Quality Education
- Sustainable Development
- Cultural and Recreational Opportunities
- Community Engagement
- Transparency and Accountability

2. **Big Picture Vision for the City**

Vision 2035:

DESTIN IS A FAMILY-ORIENTED BEACH AND FISHING COMMUNITY WHERE PEOPLE WANT TO LIVE, WORK & PLAY AND WHERE VISITORS ARE WELCOMED TO RESPECTFULLY ENJOY OUR COMMUNITY AND ITS RESOURCES.

Prioritized Customers:

1. Year-round City of Destin residents
2. City of Destin-based businesses
3. City of Destin visitors

Prioritized Strategic Goals:

1. Financially sound city providing service excellence.
2. Enhanced quality of life and safety for families.
3. Economic development and revitalization.
4. Effective, efficient, and aesthetically pleasing infrastructure.
5. Improved mobility and connectivity.
6. A green and sustainable environment.
7. Offer livable wages and benefits to attract and maintain a high caliber, qualified staff.

Council's Critical Priorities:

- Work with stakeholders to pursue the Destin City Center
- Public waterfront acquisition initiative
- Underground utilities
- Stahlman and US 98 pedestrian vehicle improvements
- Pedestrian access concepts under the Marler Bridge
- Two-lane Crosstown Connector
- Improve parking
- Annexation of unincorporated enclaves

Key Points Discussed:

- The importance of strategic planning and goal-setting to achieve the city's vision was underscored. The city council's role in defining steps and priorities for strategic plans was noted.

- The vision for Destin to be a thriving, economically vibrant community that prioritizes togetherness, sustainability, and resilience was shared.
- The leadership and guidance of the mayor and city council members were recognized as crucial in setting strategic priorities and policies.
- The potential for public-private partnerships to drive community safety, economic growth, and vitality was emphasized.
- The significance of resident participation in shaping policies and initiatives was highlighted.
- Effective governance, strong leadership, well-maintained infrastructure, economic development, public safety, quality education, sustainable development, community engagement, and transparency were identified as essential elements for a successful community.
- The city’s vision through 2035 and strategic goals, including financial strength, quality of life enhancement, economic development, effective infrastructure, mobility improvement, environmental sustainability, and staff welfare, were outlined.

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A. SRS Consulting Group Visioning Conversation with Council

The SRS Consulting Group outlined the process for engaging the community and the council in visioning exercises. They highlighted the importance of understanding the community’s aspirations, architectural preferences, and infrastructure needs to guide future developments. Emphasis was placed on understanding the city’s needs, exploring innovative design practices, and ensuring the cohesiveness of the city’s identity for both residents and visitors.

A four-step process for envisioning the use of city properties was introduced, including community engagement, data collection, schematic programming, and refining plans based on stakeholder feedback. A preliminary questionnaire for residents to capture priorities and perception was mentioned as part of the community engagement strategy.

A new survey was discussed to capture current resident perspectives and differentiate from past surveys. This would include questions on architectural styles sustainability, mobility, and community values. The survey aims to establish a baseline of community sentiment and priorities.

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1) Individual Council Input - Sense of Place and Vision of Destin

Council members shared their visions for Destin, drawing comparisons to other cities and emphasizing desires for improved public access, recreational facilities, and a tranquil harbor. The vision included a city with underground utilities, less visual clutter from signage, wide sidewalks, neighborhood parks, quality beach and bay access, and a vibrant yet peaceful harbor area.

- Explore the feasibility and requirements for establishing a mooring harbor, appointing a harbor master, and transient slips along the harbor to enhance usability and control and citizens employment.

- Investigate mechanisms to support local schools and educational programs through tourism revenue or other funding streams.
- Continue and expand youth engagement programs, such as the Junior Lifeguard Program and more youth oriented recreational areas, including skate parks and archery ranges. Address signage via comprehensive plan amendments and codes.
- Reform signage regulations to improve aesthetic uniformity across the city and potentially eliminate digital billboards for a more cohesive and attractive community visual identity.
- Concerns were raised on the feasibility of living in Destin given the high cost of living.
- Benchmark well-managed communities, such as Pinehurst, North Carolina; Orange Beach, Alabama; Fairhope, Alabama. The focus was on creating a safe, walkable city with reduced light pollution, improved public access to water bodies, and sustainable growth.
- Concerns were raised about the effectiveness of the Planning and Zoning Division, with calls for improvements in responsiveness and efficiency.
- Enhance code compliance mechanisms to address environmental and property maintenance issues more effectively. Suggestions included giving the Code Compliance department more authority to enforce existing regulations more effectively.
- Pursue potential funding avenues at state and federal levels for city projects, emphasizing the balance between fiscal responsibility and ambitious city planning.
- Concerns were raised about the city not charging enough for the use of its facilities by non-residents, suggesting a need to adjust fees for building permits and the use of sports and community facilities. Reassess fees for community and sports facilities to ensure they are not disproportionately burdened on local taxpayers.
- Engage SRS Consulting Group for envisioning the usage of the recently acquired Marler Bridge parcel and other properties within the Harbor and Town Center CRAs. Develop a visioning process with goals, options, and visuals to decide the future use of these properties.
- Conduct a comprehensive survey to capture current resident perspectives on architectural styles, sustainability, mobility, and community values.
- Engage in discussions with Okaloosa County and the TDC to advocate for Destin's interests and ensure equitable distribution of resources.
- Prepare for potential annexation impacts. Ensure departments are equipped and staffed to handle increased demands.
- Prioritize completion of infrastructure projects like the crosstown connector and explore innovative solutions for parking and workforce housing.
- A desire for more parks with diverse themes to provide varied experiences for children and families, advocating for a city where residents can visit a different park each day.
- Suggestions to increase access to Choctawhatchee Bay and Gulf of Mexico, including the addition of artificial reefs to support fishing and snorkeling.

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B. Outside Partners Input

1) Waste Management

Mr. Doug Rainer of Waste Management, Inc emphasized their commitment to quality service and sustainability, outlining their ability to support Destin's growth and smart development plans. He discussed the importance of solid waste management in the community's development and urged the city to include waste management considerations in planning efforts. He also highlighted their focus on providing reliable waste services and their investment in recycling facilities. He expressed their appreciation for their partnership with Destin and aim to work closely with Destin's public works and public information departments to enhance outreach and education on waste management practices.

Mr. Rainer also noted that Waste Management is constructing a \$30 million recycling facility in Fort Walton Beach to improve recycling efficiency. They highlighted efforts to educate the public on proper recycling practices and the significance of not contaminating recycling bins.

2) Okaloosa County Sheriff's Department

East District Captain Jason Fulghum with the Okaloosa County Sheriff's Office reported reductions in crime, traffic crashes, and incidents on the beach and Crab Island. They plan to continue leveraging partnerships and enforcement details to maintain these improvements. He discussed the allocation of deputies for beach and traffic enforcement, funded by both the city and external grants. He mentioned the possibility of adding more deputies if desired by the city, highlighting the cost-effectiveness of utilizing grant money for targeted traffic enforcement. He expressed a need for more office space and suggested the possibility of the Sheriff's Office sharing facilities with EMS, potentially in a new renovated building.

3) Destin Fire Control District

Mr. Joe D'Agostino, Beach Safety Chief, Destin Fire Control District, addressed the challenges of staffing beaches with lifeguards, noting the difficulty in maintaining adequate coverage due to staffing shortages faced by lifeguard services nationwide. He stated that the Destin lifeguard service has grown significantly over the years, starting from seasonal operations to now covering the beaches from March 9th to the end of October, and even maintaining a full-time presence to manage the increasing tourist population and the need for year-round beach safety. The service is aiming to close the service gap during the off-season (November to early March) due to the rise in beach activity even during traditional non-peak months.

Mr. D'Agostino also noted that challenges with staffing include the need for 70 part-time lifeguards annually, and retention issues due to the part-time nature of the roles. He continued that initiatives like the Junior Lifeguard Program and recruitment from Australia and New Zealand through the H2B Lifeguard Program are part of the solution. He added that the service has expanded coverage to all Destin beaches, including state parks, marking a first in Florida for lifeguard presence in state park areas.

4) Destin Chamber of Commerce

Mr. Shane Moody, President/CEO of the Destin Chamber of Commerce, emphasized the strong partnership with the city and highlighted the success of initiatives like Destin Forward, which fosters community leadership and has seen participation from various city staff and council members. He urged the completion of the Cross-Town Connector and careful planning around the One Harbor Boulevard area due to potential impacts from the upcoming bridge expansion. He discussed the importance of parking solutions, including parking garages that could also incorporate workforce housing, to alleviate traffic congestion and support the local workforce. He also highlighted Destin's challenge of being a small city with big-city issues, especially in managing the influx of tourists and the need for infrastructure and services to support a significantly larger daily population.

5) Destin Water Users

Mr. Lockwood Wernet, Executive Director of the Destin Water Users, highlighted ongoing efforts to assess and upgrade the sewer system and infrastructure to support both current needs and future growth. He discussed projects aimed at ensuring a reliable water supply and adequate wastewater treatment capacity for Destin's fluctuating population. He emphasized the importance of coordination with city planning, especially in light of challenges like the undergrounding of utilities along Hwy 98 and the Cross-Town Connector development.

6) Destin Schools

A representative from Destin schools advocated for increased investment in education and consideration of children as the city's greatest asset. He suggested exploring ways for supporting local schools through tourism revenue and allocating a portion of tourism-generated revenue directly to educational initiatives and school improvements. He also urged the city to engage with educational institutions in strategic planning to enhance educational opportunities and facilities for Destin's youth.

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3. Public Input

Capt. Gary Jarvis, a boat captain and former Destin Mayor, stated that when the city started their CRA districts, visions and plans were created. Unfortunately, very little has been accomplished with those visions and plans, possibly because the code was not clear enough. Rewriting the code and applying it to the entire city is quite a challenge as there are rules that just do not apply to the entire city, but only in particular zoning districts. He urged the council to explore the idea of creating "vision zones" articulating how they want certain areas to look. This would make the rules easier and faster to apply as they do not have to relate it to the entire city.

Capt. Jarvis also urged the council to consider a charter review, and possibly revamping their form of government – i.e., having a strong mayor rather than a city manager/city council form of government; having 5 rather than 7 council members, having districts to hold elected officials more accountable to their constituents – as he feels the present form is very inefficient.

This will potentially improve governance efficiency and better align city operations with contemporary needs.

4. Support Vital for Vision Implementation

Discussions shifted towards the financial aspects of the city's operations, the renewal and replacement of infrastructure, cost recovery, and the gaps in funding for various city services.

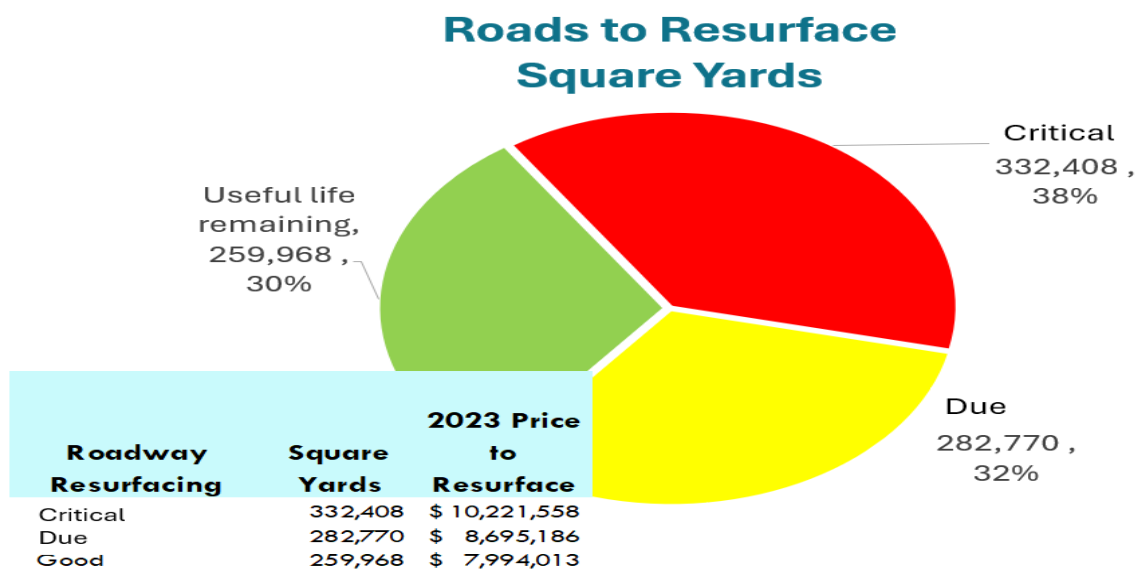
The city's Finance Director gave the following presentation.

A. Renewal and Replacement of Infrastructure and Facilities.

Renewal & Replacement Fund

Estimated Cost to Replace/Renew (2023 price, no inflationary factor)	Extremely Critical	Critical	Currently Due	Not yet Due	Total Cost of items to Replace/Renew
Streets, Sidewalks, Streetlights	\$ 10,671,806	\$ 6,227,089	\$ 2,344,073	\$ 7,787,680	\$ 27,030,647
Facilities: Roof	-	18,400	7,421	1,993,469	2,019,290
Facilities: HVAC	20,000	11,500	22,500	487,000	541,000
Generators	-	-	24,000	268,500	292,500
Outdoor Parks & Recreation	602,800	505,000	2,628,450	744,350	4,480,600
Parking Lots	-	-	176,692	1,575,350	1,752,042
Vehicles	205,000	326,000	247,000	970,000	1,748,000
Capital Equipment	40,000	14,000	74,000	1,097,000	1,225,000
	\$ 11,539,606	\$ 7,101,989	\$ 5,524,135	\$ 14,923,349	\$ 39,089,079
% of total	30%	18%	14%	38%	

(\$18.6 million of renewals and replacements should be made to improve 48% of our aged infrastructure and assets).



Planned Expenditures	2024 - 2043
Streets, Streetlights	34,765,859
Facilities: Roof	2,503,091
Facilities: HVAC	697,525
Generators	420,400
Outdoor Parks & Recreation	6,188,484
Parking Lots	1,934,082
Vehicles	2,262,850
Capital Equipment	1,394,425
Stormwater	18,884,000
Total Planned Expenditures	69,050,716
	/ 20 years
	\$3,452,536

Planned Expenditures	2024 - 2043
Public Works	37,361,126
Public Safety	1,490,970
Parks	4,194,926
Recreation	4,630,605
Library	927,405
Gen Gov	1,048,243
Stormwater Equip (pumps)	458,550
Food4Thought Bldg	54,890
Stormwater Infrastructure	18,884,000
Total Planned Expenditures	69,050,716

	Extremely Critical		Critical	Due	CURRENT	
	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Annual Contribution	\$ 4,000,000	\$ 4,000,000	\$ 4,500,000	\$ 3,000,000	\$ 1,750,000	\$ 1,500,000
Annual Contribution Gas Tax#1	591,242	594,198	597,169	600,155	603,155	606,171
Oka 1/2 Penny Infrastructure	1,500,000	1,500,000	2,000,000	1,500,000	-	-
Parking Fund	-	-	176,692	-	-	-
Interest	91,400	91,400	109,100	76,500	35,300	31,600
Total Planned Cash In	6,182,642	6,185,598	7,382,961	5,176,655	2,388,455	2,137,771
Planned Expenditures						
Streets, Streetlights	5,393,704	5,575,310	5,435,722	4,253,133	134,893	134,893
Facilities: Roof	-	-	7,978	-	92,876	-
Facilities: HVAC	3,844	16,538	12,363	6,050	204,188	27,600
Generators	-	-	12,900	-	93,938	-
Outdoor Parks & Recreation	-	632,940	2,275,184	-	202,500	5,750
Parking Lots	-	-	176,692	-	-	-
Vehicles	-	215,250	56,975	975,700	345,375	226,550
Capital Equipment	-	42,000	15,050	27,500	707,625	14,950
Stormwater						
Total Planned Expenditures	5,397,548	6,482,038	7,992,863	5,262,383	1,781,394	409,743
Ending Bank Balance	\$ 1,483,108	\$ 1,186,668	\$ 576,766	\$ 491,037	\$ 1,098,098	\$ 2,826,126

RENEWAL & REPLACEMENT - CASH FLOW PLAN					
	Extremely Critical	Extremely Critical	Critical	Due	CURRENT
	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Fiscal Year Start Date	10/1/2024	10/1/2025	10/1/2026	10/1/2027	10/1/2028
Beginning Balance	698,014	1,483,108	1,186,668	296,836	211,107
Total Planned Cash In	6,182,642	6,185,598	7,382,961	5,176,655	2,388,455
Planned Expenditures					
Public Works	5,393,704	5,790,560	5,489,472	4,803,133	472,393
Public Safety	-	-	-	167,200	324,979
Parks	3,844	163,538	688,538	245,300	510,188
Recreation	-	527,940	1,918,091	4,950	81,210
Library	-	-	-	-	45,000
Gen Gov	-	-	176,692	41,800	81,563
Stormwater Equip (pumps)	-	-	-	-	258,750
Food4Thought Bldg	-	-	-	-	7,313
Stormwater Infrastructure					
Total Planned Expenditures	5,397,548	6,482,038	8,272,793	5,262,383	1,781,394
Ending Balance	1,483,108	1,186,668	296,836	211,107	818,168

Recurring Funds for the RR Fund:

100% of Gas Tax #1 (Okaloosa 6 Cent First Local Option Fuel Tax) should go into an account for Road Renewal & Replacement (\$550k/year).

The First Local Option Fuel Tax is a \$0.06 cent local option fuel tax imposed by Okaloosa County on Motor and Diesel Fuels for the purpose of paying the cost of operating, maintaining, constructing, and acquiring roads, streets and related facilities.

Average Road Renewal needs are \$1.5 million per year.
Reallocate Oka 1/2

Oka 1/2 allocation as per 05/02/22:					
	Beach	Underground	Stormwater	Public Works/ Safety	TOTAL
Percentage	25%	60%	10%	5%	100%
Est Revs (2019-2029)	4,000,000	9,600,000	1,600,000	800,000	16,000,000
spent to date	3,636,383	1,409,460	-	99,500	5,145,343
remaining debt svc	2,211,994	-			2,211,994
balance	(1,848,377)	8,190,540	1,600,000	700,500	8,642,663
RECOMMENDED OKA 1/2 REVISION FOR JULY 2023:					
	Beach	Underground	Stormwater	Public Works/ Safety	TOTAL
Percentage	33.6%	55%	7%	4%	100%
Est Revs (2019-2029)	5,848,377	9,570,000	1,216,023	765,600	17,400,000
spent to date	3,636,383	1,457,432	-	99,500	5,193,315
remaining debt svc	2,211,994	-			2,211,994
balance	-	8,112,568	1,216,023	666,100	9,994,691

Minimum & Maximum Proposed RR Fund Balance:

Minimum: By 2031, maintain a minimum fund balance of \$1 million

Rational: the current draft RR cashflow projection expenditures for FY 2028- FY2043 is \$1 million/year (excluding stormwater)

Maximum: Consider 5% of Net Assets as the maximum fund balance for the RR fund (\$5 million max). If the account balance is at the maximum, council may choose to decrease the annual addition to the RR fund.

FYE 22 Assets net of depreciation = \$100 million

Funding Sources for CIP:

- Infrastructure (ex. \$900k Mountain Drive Sidewalk)
 - ❖ Developer Agreements
 - ❖ Impact Fees
 - ❖ CRA TIF funds
- Undergrounding
 - ❖ Restricted Franchise
 - ❖ Utility Service Tax on FPL bill
 - ❖ Special Assessments

B. Cost Recovery to Maintain Services

Financially Sound City

Costs Per Property Per Year:

Public Safety

Ops: \$347

RR: \$5

Library

Ops: \$63

RR: \$3

Recreation

Ops: \$118

RR: \$15

Parks & Special Events

Ops: \$155

RR: \$13



Roadways and Sidewalk

Ops: \$139

RR: \$116

Stormwater

Ops: \$30

RR: \$65

**Gen Gov, Animal
Control, Debt Svc**

Ops: \$540

RR: \$5

Total Cost per property per Year for all services

Ops: \$1412

RR: \$222

Ad Valorem – Averages for Different Parcel Usage Categories & Replacement

Parcel Use	Parcel Count	Taxable Values	Ad Valorem @ 1.615*95%	taxes/ parcel count	% taxes collected
Homesteaded	3,675	\$1,145,494,574	\$ 1,757,475	\$ 478	14%
Other Residential	10,870	\$6,093,120,092	\$ 9,348,370	\$ 860	77%
Non-Residential	1,510	\$ 693,718,022	\$ 1,064,337	\$ 705	9%
	16,055	\$7,932,332,688	\$ 12,170,181	\$ 758	100%

An average homesteaded property will pay City of Destin \$478 for
FY2024 Ad Valorem Taxes

Cost Recovery – Why?

When user-fee type services cover their own costs, taxpayer dollars are freed-up to increase service levels (i.e., add parks and other public spaces).

Where We Are Now

Fund Balance Projections – no fee changes

FUND BALANCE SUMMARY ALL FUNDS	FY2025 PROJECTION	FY2026 PROJECTION	FY2027 PROJECTION	FY2028 PROJECTION	FY2029 PROJECTION	FY2030 PROJECTION
Nonspendable (Town Center CRA + prepaids)	2,311,624	2,111,624	1,911,624	1,611,624	1,211,624	811,624
Restricted (FL Statute & Debt Covenants)	2,979,217	3,236,528	3,751,363	5,961,024	7,461,236	9,324,784
Committed (Council Resolutions & Motions)	20,294,273	20,860,663	20,208,152	21,137,709	22,297,581	23,880,851
Assigned (contracts/PO balances)	3,250,000	2,500,000	1,500,000	2,416,667	2,138,889	2,018,519
Unassigned	5,935,177	4,178,446	2,979,105	(775,283)	(422,375)	106,575
Ending Fund Balance	34,770,291	32,887,261	30,350,244	30,351,740	32,686,955	36,142,354

What is dragging our balance down?

1 – Building Permit Fees Too Low

111 FLORIDA BUILDING CODE FUND (RESTRICTED; PUBLIC SAFETY)	FY2025 PROJECTION	FY2026 PROJECTION	FY2027 PROJECTION	FY2028 PROJECTION	FY2029 PROJECTION	FY2030 PROJECTION
111-32 Licenses and Permits	1,051,930	1,082,840	1,114,660	1,147,390	1,181,120	1,215,850
111-36 Investment Income	130	130	130	130	130	130
	1,052,060	1,082,970	1,114,790	1,147,520	1,181,250	1,215,980
111-52 Public Safety	1,331,350	1,379,030	1,428,540	1,479,960	1,533,350	1,588,850
111-59 Capital Outlay	-	-	-	45,600	-	-
	1,331,350	1,379,030	1,428,540	1,525,560	1,533,350	1,588,850
	(279,290)	(296,060)	(313,750)	(378,040)	(352,100)	(372,870)
111-38 Transfers In	-	-	-	-	-	-
111-58 Transfers Out	(101,630)	(104,680)	(107,820)	(111,050)	(114,380)	(117,810)
	(101,630)	(104,680)	(107,820)	(111,050)	(114,380)	(117,810)
111 Net change in fund balances	(380,920)	(400,740)	(421,570)	(489,090)	(466,480)	(490,680)

2 – Developer and Impact Fees Too Low

The cost to do Growth Necessitated Improvements is not fully covered by the fees collected.

3 – Recreation fees are not sufficient to cover operations.

DESCRIPTION	FORECAST							
	2023 ACTUALS	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
MORGANS REVENUE	119,782	113,510	116,920	120,430	124,040	127,760	131,590	135,540
MORGANS OP EXPS	636,240	909,097	940,900	973,860	1,008,040	1,043,500	1,080,270	1,118,400
NET	(516,458)	(795,587)	(823,980)	(853,430)	(884,000)	(915,740)	(948,680)	(982,860)
COMMUNITY CTR REVENUE	150,152	157,200	160,340	163,550	166,820	170,160	173,560	177,030
COMMUNITY CTR OP EXPS	688,679	988,028	1,023,150	1,059,640	1,097,480	1,136,760	1,177,520	1,219,810
NET	(538,527)	(830,828)	(862,810)	(896,090)	(930,660)	(966,600)	(1,003,960)	(1,042,780)
Total Covered by Taxpayers	(1,054,985)	(1,626,415)	(1,686,790)	(1,749,520)	(1,814,660)	(1,882,340)	(1,952,640)	(2,025,640)
Cost Recovery Ratio	20%	14%	14%	14%	14%	14%	14%	13%

Recommended Cost Recovery Areas:

- **Building fund: Building Permit Fees**
- **Community Development: Developer and Impact Fees**
- **STR Registration for Condos (6700+)**
- **Recreation: User Fees (Boat Ramp)**

Where we COULD be:

Fund Balance Projections – Adjust Building Permit fees +52%

ACCOUNT DESCRIPTION	FY 2024	FY 2025	FY 2026	FY2027	FY2028	FY2029	FY2030
BUILDING PERMIT FEES	986,710	1,500,000	1,545,000	1,591,400	1,639,100	1,688,300	1,738,900
Total 111300 BUILDING FUND REVENUE	1,022,070	1,535,760	1,581,170	1,627,990	1,676,120	1,725,750	1,776,780
Total 11152441 BUILDING FUND	1,376,424	1,331,350	1,379,030	1,428,540	1,525,560	1,533,350	1,588,850
NET OPERATING (REV - EXP)	(354,354)	204,410	202,140	199,450	150,560	192,400	187,930
Total BUILDING FUND TXFRS OUT	(98,671)	(150,000)	(154,500)	(159,140)	(163,910)	(168,830)	(173,890)
111 Increase (decrease) in Fund Balance	(453,025)	54,410	47,640	40,310	(13,350)	23,570	14,040
111 Fund Balance, beginning of year	332,189	(120,835)	(66,425)	(18,785)	21,525	8,175	31,745
111 Fund Balance, ending of year	(120,835)	(66,425)	(18,785)	21,525	8,175	31,745	45,785

Before

FUND BALANCE SUMMARY ALL FUNDS	FY2025 PROJECTION	FY2026 PROJECTION	FY2027 PROJECTION	FY2028 PROJECTION	FY2029 PROJECTION	FY2030 PROJECTION
Nonspendable (Town Center CRA + prepaids)	2,311,624	2,111,624	1,911,624	1,611,624	1,211,624	811,624
Restricted (FL Statute & Debt Covenants)	2,979,217	3,236,528	3,751,363	5,961,024	7,461,236	9,324,784
Committed (Council Resolutions & Motions)	20,294,273	20,860,663	20,208,152	21,137,709	22,297,581	23,880,851
Assigned (contracts/PO balances)	3,250,000	2,500,000	1,500,000	2,416,667	2,138,889	2,018,519
Unassigned	5,935,177	4,178,446	2,979,105	(775,283)	(422,375)	106,575
Ending Fund Balance	34,770,291	32,887,261	30,350,244	30,351,740	32,686,955	36,142,354

FUND BALANCE SUMMARY ALL FUNDS	FY2025 PROJECTION	FY2026 PROJECTION	FY2027 PROJECTION	FY2028 PROJECTION	FY2029 PROJECTION	FY2030 PROJECTION
Nonspendable (Town Center CRA + pr	2,311,624	2,111,624	1,911,624	1,611,624	1,211,624	811,624
Restricted (FL Statute & Debt Covenan	2,912,792	3,217,743	3,772,888	5,969,199	7,492,981	9,370,569
Committed (Council Resolutions & Mc	20,342,643	20,958,853	20,357,662	21,340,079	22,554,401	24,193,751
Assigned (contracts/PO balances)	3,250,000	2,500,000	1,500,000	2,416,667	2,138,889	2,018,519
Unassigned	6,436,932	5,080,941	4,303,170	1,037,872	1,857,260	2,876,890
Balance	35,253,991	33,869,161	31,845,344	32,375,440	35,255,155	39,271,354

After

Recommended Cost Recovery Areas:

- STR Registration for Condos (6700+)
 - ❖ Visitors use our parks and roadways.
 - ❖ A \$100 registration fee/year would raise \$670,000.
- Add back the Joe's Bayou Boat Ramp pass for Residents (\$200k/year).

Ad Valorem at Different Millage Rates:

Ad Valorem Taxes Payable per Household Two scenarios to demonstrate the difference 1/10th of a mill creates

	<u>1.6150</u>	<u>1.7150</u>	<u>Variance</u>
Property Taxable Value			
\$100,000	\$161.50	\$171.50	\$10.00
\$332,942	\$537.70	\$571.00	\$33.29
\$400,000	\$646.00	\$686.00	\$40.00
\$600,000	\$969.00	\$1,029.00	\$60.00

City of Destin median **taxable** property value on all properites = **\$332,942**

Funding to the City at the two Different Millage Rates

1.6150 1.7150

Taxable Value x Millage x 95% = total ad valorem collections

\$7,941,360,764 = \$12,184,033 or \$12,938,462 var= **\$754,429**

Next Steps:

- **March: Adopt a Renewal & Replacement Resolution.**
- **TBD: Refresh Building Fee Study and adopt new fee schedule to make Building Fund self-sustaining.**
- **TBD: Approve Mobility Plan projects.**
- **TBD: Approve Mobility Fees (created upon the approved projects).**
- **TBD: Revise Park, Library, and Public Safety Impact Fees.**
- **TBD: Adjust Fee Schedule to include STR registration for condos.**
- **TBD: Adjust Fee Schedule to include Boat Ramp passes.**

DISCUSSIONS:

Discussions emphasized the need to prioritize spending on essential services and infrastructure while finding ways to close the funding gap.

The council and staff discussed the necessity of taking incremental steps to address the financial challenges, with a focus on lessening the impact on homesteaded homeowners and leveraging other revenue sources.

A comprehensive approach to infrastructure renewal and replacement, along with a review of service fees and potential adjustments, was proposed to ensure the city can continue to provide essential services while moving towards its vision for the future.

The importance of cost recovery was discussed, with an emphasis on aligning user fees more closely with the cost of services to free up taxpayer dollars for other services.

There were concerns and discussions among the council members regarding the prioritization of public works and infrastructure projects. Some members expressed a desire for more detailed justifications for the proposed expenditures, especially in the context of the city's vision focusing on youth and beautification.

The discussion focused on addressing the financial challenges facing the city, particularly in the areas of building permit fees, developer and impact fees, and recreation fees. The aim is to improve cost recovery and reduce the burden on taxpayers.

It was noted that building permit fees are too low, leading to a significant shortfall where taxpayers are effectively subsidizing the costs. A suggestion was made to increase these fees by 52% to allow the building fund to become self-sustaining and eventually build a small fund balance.

Developer and impact fees were identified as not fully covering the costs associated with growth-induced improvements. Adjustments in these fees were discussed as a way to ensure new developments contribute their fair share to the infrastructure and services they impact.

Discussions included the cost recovery of recreation facilities, particularly Morgans and the community center, which are currently subsidized by taxpayers to the tune of about a million dollars annually. Revisiting the 2014 cost recovery policy for recreation program and potentially reintroducing charges for boat ramp passes were suggested.

The possibility of implementing or increasing fees for short-term rentals and non-homesteaded condos was discussed, recognizing their impact on city services and infrastructure.

An increase in the property millage rate was proposed as a potential solution to generate additional revenue. However, concerns were raised about the political feasibility of such a move, especially in an election year.

Proposed Actions:

- Provide a detailed breakdown and prioritization of the critical \$10.6 million public works projects including evidence and justification for each project.
- Evaluate and adjust building permit fees and developer impact fees to better reflect the actual costs of services and infrastructure requirements.

- Consider reallocating funds from the Okaloosa half-penny infrastructure money and electric franchise fees to support the renewal and replacement program.
- Prepare a draft resolution for council review that outlines a commitment to fund the renewal and replacement program, including setting minimum and maximum fund balance targets.
- Investigate and propose additional revenue sources, such as adjustments to user fees and taxes, to cover the costs of city services and infrastructure maintenance more effectively.
- Refresh the building fee study and adopt a new fee schedule to make the building fund more self-sustaining.
- Consider revising park, library, and public safety impact fees based on updated assessments.
- Assess the feasibility and potential revenue from implementing or increasing fees for short-term rentals and non-homesteaded condos.
- Reevaluate recreational user fees to improve cost recovery, including reintroducing boat ramp passes.

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C. Focus of Code Compliance in Furtherance of Vision

The city's code compliance director highlighted the department's role in maintaining the city's standards, emphasizing accountability, consistency, and efficiency. The department has seen a significant increase in call volume, attributed to added staff and proactive measures.

- Staff recently attended the Florida Association of Code Enforcement (FACE) training. The department is considering acquiring additional vehicles and has introduced portable digital radio for better communication. The possibility of acquiring body cameras for officer safety during confrontation or threatening situations was discussed, with a focus on developing a clear operational policy for their use.
- Pre-season meetings with short-term rental operators, beach vendors, and livery vessel owners have been conducted to set expectations and improve compliance. These meetings aim to address common issues and enhance the quality of life in Destin.
- The department is exploring the International Property Maintenance Code to incorporate into the LDC and is planning further cross-training with the Community Development Department. There is a focus on ensuring that code officers are well-equipped and trained to handle the diverse needs of the community effectively.
- The department is seeking to improve access to the harbor for better enforcement of regulations concerning illegal charters and similar issues. Additionally, there is an acknowledgment of the potential impact of annexation on workload and the need for strategic planning to accommodate growth.
- Current short-term rental fees are based on square footage, ranging from \$500 to \$700. There is recognition that these fees could be justifiably increased given the revenue generated by these rentals and their impact on the community.

Council members provided feedback, emphasizing the importance of proactive enforcement, the potential benefits of communication and safety technologies, and the need for prioritization in code enforcement efforts.

The discussion on body cameras raised questions about policy, data storage, and costs, with council members requesting detailed plan and policy before implementation. The policy shall address legal concerns and operational details, including data storage and public records access.

The introduction of portable digital radios for better communication among code officers was discussed, with a suggestion to integrate communication with the sheriff's department for emergency situations.

Future initiatives include placing the code boat at the harbor for better enforcement and considering space on the public Safety dock were discussed.

Discussion on short-term rental fees highlighted the current fee structure based on square footage and the potential for increasing these fees to better reflect the impact on the community and generate additional revenue.

ADJOURNMENT

Having no further business at this time, the meeting was adjourned at 1:25 PM.

Bobby Wagner, Mayor

ATTEST:

Rey Bailey, City Clerk

CITY OF DESTIN



AGENDA ITEM

COUNCIL MEETING DATE: March 18, 2024**TYPE OF AGENDA ITEM:** City Manager Report**AGENDA OUTLINE NUMBER:** 4.A.

TO: City Council

THRU: Louis Zunguze, Interim City Manager

FROM: Sheri Bethea, Sr. Administrative Services Coordinator

DATE: March 7, 2024

SUBJECT: Public parking support for Destin's 67th Annual Blessing of the Fleet and Community Fish Fry on Thursday, May 9, 2024

I. BACKGROUND: The Blessing of the Fleet was the catalyst for beginning Destin's Annual Week of Blessings activities. The Destin Week of Blessings Committee and the Immanuel Anglican Church have requested that the city waives the parking fees at the Marler Parking Lot on Harbor Blvd on Thursday, May 9, 2024, beginning at 2:00 PM in support of this long-standing community event.

II. DISCUSSION: Immanuel Anglican Church is the event sponsor, but the Church of Destin and the entire community participate in this event. The Blessings of the Fleet Committee will post appropriate signs (Atch).

A. Link to Strategic Goals / Objectives:

B. Effect on Budget (EOB):

C. Level of Service (LOS):

D. Legislative Sponsor:

III. CONCLUSION: The council has granted approval to waive the parking fees at the Marler Parking Lot in support of this event annually since 2019.

IV. RECOMMENDED MOTION: Motion to waive the parking fees at the Marler Parking Lot for the 2024 Blessings of the Fleet, effective at 2:00 PM on May 9, 2024.

Attachments:

1. Request for Parking Support - 67th Annual Blessing of the Fleet
2. Free Parking Sign (1)

Consent Agenda Request for the Destin City Council

(Submitted Feb 22, 2024)

Request for Parking Support for Destin's 67th Annual Blessing of the Fleet and Community Fish Fry, Ascension Day, Thursday, May 9, 2024.

Whereas: The City of Destin recognizes the importance of maintaining a vibrant and active harbor, and,

Whereas: The City of Destin has always been supportive of its charter fishing fleet and the many commercial seaborne vessels that make their living from the sea and support our many visiting tourists, and,

Whereas: We want to invoke God's continued protection and blessing upon those who make their living from the sea, and,

Whereas: Many participants in the Blessing of the Fleet (attendees and vessel participants) are not citizens of Destin and therefore do not have free parking access to the city's Marler parking lot,

Therefore: The Destin Week of Blessings Committee requests the City of Destin continue as an official sponsor of this year's annual Blessing of the Fleet (BOF) by suspending the city's Marler parking lot fee on Harbor Blvd on Thursday, May 9, 2024, after 2 PM in support of Destin's 67th Blessing of the Fleet and Community Fish Fry.

The BOF committee will post signs at the two parking lot entrances indicating the parking lot fee has been suspended for that one day, beginning at 2 PM.

Date: Thursday, May 9, 2024, 4 pm (always on Ascension Day, 40 days after Easter).

Location: On the docks at the Destin Fishing Fleet Marina, behind Brotula's restaurant.

Blessing of the Fleet Background:

-- The Blessing of the Fleet is Destin's second oldest tradition beginning in May 1958 (second only to the annual Fishing Rodeo).

-- The Blessing of the Fleet was the catalyst for the beginning of Destin's Week of Blessings activities which are now held annually in conjunction with the Blessing of the Fleet.

-- Immanuel Anglican Church is the event sponsor, but the Church of Destin, the entire Destin community, and members of surrounding communities participate in this event.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'C. Miller', written in a cursive style.

Rev. Caleb Miller
Rector, Immanuel Anglican Church
250 Indian Bayou Trail
Destin, FL 32541
www.iacdestin.org | immanuel@iacdestin.org
850.837.6324



TODAY, Thursday

by order of

City of Destin

FREE

PARKING

from 2pm~until...

**In support of Destin's
annual Blessing of the Fleet**

CITY OF DESTIN



AGENDA ITEM

COUNCIL MEETING DATE: March 18, 2024**TYPE OF AGENDA ITEM:** Action Item**AGENDA OUTLINE NUMBER:** 4.B.

TO: City Council

THRU: Louis Zunguze, Interim City Manager
Kimberly Kopp, City Attorney

FROM: Ryan Scott, City Engineer
Lisa Firth, Parks & Rec Director
Krystal Strickland, Finance Director

DATE: March 12, 2024

SUBJECT: Pickleball Courts - 60% Construction Documents

I. BACKGROUND: At the August 21, 2023, City Council meeting, Council directed Staff to engage Jenkins Engineering, Inc. (JEI) to design a pickleball area located on Indian Bayou Trail between the City Hall Annexation Building and the Public Works Buildings. It was determined by City Council on February 5, 2024, that Option 1 of the design would consist of four courts and a bathroom and all associated infrastructure when the 30% plans were presented. The City Council also directed staff to work with JEI to bring 60% plans to the Parks and Recreation Committee and back to City Council.

II. DISCUSSION:

Staff presented the 60% plans on March 5, 2024, to the Parks and Recreation Committee meeting and discussed the overall progress along with seeking direction for the complete build out of the project. The following motion was made and passed with a 4-0 vote:

Initial Motion: *“Motion by Chairwoman Trammell to accept the plan as presented with and addition of temporary parking between the Public Services building and the Annex. Committee member Piper provided the second.*

During the discussion, Vice Chairwoman Piper asked if they could use a tennis court as a pickleball court, Mr. Ryan Scott, City Engineer, stated that they could be swapped out. Ms. Piper spoke of how she thinks basketball courts are used more at Buck Destin Park and amended the motion to explore the possibility of, rather than a tennis court and a basketball court, having two basketball courts, Mr. Scott suggested just having the pad put down for multi-use.

Final Motion: *The final amended motion is to accept the project as presented, try to add temporary overflow parking on the south side of the project, swap out the tennis and the basketball courts at the bottom for multi-use courts, two of the same size as the tennis courts."*

A. Link to Strategic Goals / Objectives:

II. Enhance quality of life and safety for families.

III. Economic development and revitalization.

IV. Effective, efficient, and aesthetically pleasing infrastructure.

B. Effect on Budget (EOB): FDEP is using BP Oil Spill funds to fund this project.

There is no effect on Adopted City Budget.

C. Level of Service (LOS): Level of Service will be increased.

D. Legislative Sponsor:

III. CONCLUSION: Staff and JEI are ultimately looking for feedback and direction from Council prior to moving forward to the 90% Design Documents.

IV. RECOMMENDED MOTION:

I move to direct the City Manager to work with Staff and Jenkins Engineering to move forward to 90% Design Documents which include the recommendations from the Parks and Recreation Committee.

ALTERNATE MOTION:

I move to direct the City Manager to work with Staff and Jenkins Engineering to move forward to 90% Design Documents which include the recommendations from the Parks and Recreation Committee, with the following revisions (*insert revisions*)

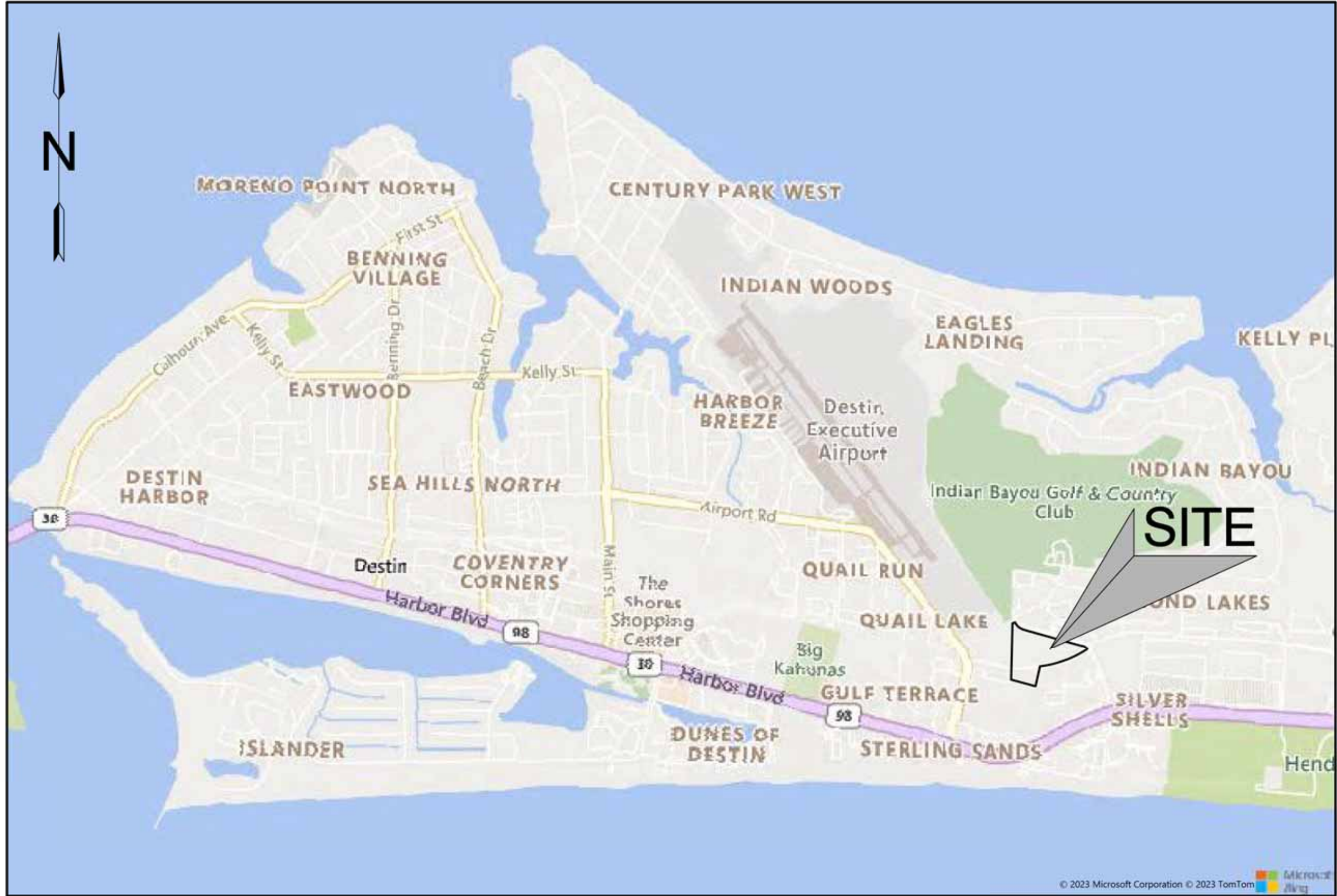
Attachments:

1. 23-58 Design-OVERALL SET 60%-Revised

CITY OF DESTIN PICKLEBALL COURTS

DESTIN, FLORIDA

60% PLAN SET



VICINITY MAP
NOT TO SCALE

UTILITY PROVIDERS

(WATER/SEWER) DESTIN WATER USERS 218 MAIN STREET DESTIN, FL 32541 (850) 837-4930	(TELEPHONE) CENTURYLINK 411 MARY ESTHER CUTOFF FT. WALTON BEACH, FL 32548 (850) 244-1150	(ELECTRIC) FLORIDA POWER & LIGHT 140 HOLLYWOOD BLVD SW FT. WALTON BEACH, FL 32548 (800) 225-5797	(GAS) OKALOOSA GAS DISTRICT 20 HUGHES STREET NE FT. WALTON BEACH, FL 32548 (850) 729-4700
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CLIENT INFORMATION

CITY OF DESTIN
POC: RYAN SCOTT, P.E. - CITY ENGINEER
DESTIN CITY HALL ANNEX
4100 INDIAN BAYOU TRAIL
DESTIN, FL 32541
PHONE: (850) 654-1119
EMAIL: RSCOTT@CITYOFDESTIN.COM

DUTY TO INDEMNIFY

THE CONTRACTOR SHALL DEFEND, INDEMNIFY, KEEP AND SAVE HARMLESS THE OWNER AND ENGINEER AND THEIR RESPECTIVE MEMBERS, REPRESENTATIVES, AGENTS AND EMPLOYEES, IN BOTH INDIVIDUAL AND OFFICIAL CAPACITIES, AGAINST ALL SUITS, CLAIMS, DAMAGES, LOSSES AND EXPENSES, INCLUDING ATTORNEY'S FEES, CAUSED BY, GROWING OUT OF, OR INCIDENTAL TO THE PERFORMANCE OF THE WORK UNDER THE CONTRACT BY THE CONTRACTOR OR ITS SUBCONTRACTORS TO THE FULL EXTENT AS ALLOWED BY THE LAWS OF THE STATE OF FLORIDA AND NOT BEYOND ANY EXTENT WHICH WOULD RENDER THESE PROVISIONS VOID OR UNENFORCEABLE. IN THE EVENT OF ANY SUCH INJURY (INCLUDING DEATH) OR LOSS OR DAMAGE, OR CLAIMS THEREFORE, THE CONTRACTOR SHALL GIVE PROMPT NOTICE TO THE OWNER.

LEGAL DESCRIPTION

PARCEL I (AS RECORDED IN OR BK 2252 PG 3230)

A parcel of land in unsectionalized Township 2 South, Range 22 West, Okaloosa County, Florida described as commencing at the Southeast corner of Lot 4, Block 6, Silver Beach Subdivision, as recorded in Plat Book 1, Page 16 ½ of the Official Records; thence North 03°58'04" East along a projection of the East line of said Lot 4, a distance of 1277.03 feet to a point on the Northerly right of way line of State Road 30 (U.S. 98 bypass, R/W varies) and the Southerly right of way line of a 100 foot Gulf Power easement; thence North 86°02'36" West (North 86°02'07" West measured) along said Northerly and Southerly lines, a distance of 435.96 feet; thence North 83°19'06" West along said Northerly and Southerly lines, a distance of 176.83 feet; thence departing said Northerly right of way line and continuing along said Southerly line of Gulf Power easement North 83°19'06" West, 373.07 feet to a concrete monument #3724 on the Easterly right of way line of Two Trees Road (100' R/W); thence continue North 83°19'0611 West along said Southerly line, a distance of 407.82 feet to a concrete monument #3724 along the South line of Destin City Hall parcel; thence continuing along said South line of Destin City Hall parcel and power easement, North 77°53'4611 West, 947.63 feet (North 77°53'0211 West, 947.59 feet measured) to a concrete monument #3724 and the point of beginning; thence continuing along the last described course, 10.72 feet; thence continuing along said South line of Gulf Power easement, North 75°09'4711 West, 413.87 feet; thence departing said South line, North 01°17'2111 East, 953.11 feet to the Southerly right of way line of Indian Bayou Trail (100' R/W); thence North 67°29'3211 East along said Southerly line, a distance of 42.67 feet to the Southerly right of way line of Two Trees Road (80' R/W); thence Southeasterly along said right of way of Two Trees Road, 180.13 feet along the arc of a curve, concave Northeasterly, having a radius of 200.00 feet, a central angle of 51°36'1011 and a chord bearing South 48°24'5311 East, 174.10 feet; thence continuing along said right of way of Two Trees Road, South 74°13'0411 East, 433.23 feet; thence departing said right of way line, South 15°46'5611 West, 363.00 feet; thence South 74°13'0411 East, 300.00 feet; thence North 15°46'56" East 363.00 feet to said Southerly right of way line of Two Trees Road; thence South 74°13'04" East along said Southerly line, a distance of 312.37 feet; thence continuing along said right of way line, 93.41 feet along the arc of a curve, concave Southwesterly, having a radius of 149.08 feet, a central angle of 35°54'03", and a chord bearing South 56°14'5311 East, 91.89 feet to a concrete monument #3724 marking the Northerly line of Destin City Hall site, said line also being the Northerly right of way line of future extension of Comprehensive Plan Road (100' R/W); thence along said Northerly line, 398.06 feet along the arc of a curve, concave Northwesterly, having a radius of 1902.87 feet, a central angle of 11°59'02", and a chord bearing South 62°31'39" West, 397.33 feet to a concrete monument #3724; thence continuing along said Northerly line, 454.76 feet along the arc of a curve, concave Northwesterly, having a radius of 1804.18 feet, a central angle of 14°26'31", and a chord bearing South 75°41'03" West, 453.56 feet to a concrete monument #3724, thence departing said Northerly line and continuing along the West line of said Destin City Hall Site, South 12°07'3711 West, 338.55 feet to the point of beginning, containing 12.99 acres, more or less, all in Okaloosa County, Florida.

PARCEL (AS RECORDED IN OR BK 2627 PG 1618)

A parcel of land in undivided Township 2 South, Range 22 West, Okaloosa County, Florida, described as commencing at the Southeast corner of Lot 4, Block 6, Silver Beach Subdivision, as recorded in Plat Book 1, Page 16 ½ of the Official Records; thence North 03°58'52" East, 1277.09 feet to the North right-of-way line of State Road 30 and the Southerly right-of-way line of a 100 foot wide Gulf Power Easement; thence North 86°02'07" West (reference bearing) along said North right-of-way line, 434.71 feet to a point of divergence of said right-of-way lines; thence North 83°18'37" West along said Southerly Gulf Power Easement right-of-way line, 657.81 feet to the West right-of-way line of Comprehensive Road a 100 foot right-of-way; thence North 13°56'03" West, 346.03 feet; to a point of curvature, thence 339.42 feet along the arc of a curve, concave southwesterly having a radius of 993.92 feet, a central angle of 19°33'58", and a chord bearing North 23°43'02" West, 337.77 feet; thence North 33°30'00" West, 245.99 feet to a point of curvature; thence 105.95 feet along the arc of a curve concave Southwesterly, having a radius of 149.08 feet, a central angle of 40°43'09", and a chord bearing North 53°51'32" West, 103.73 feet to a point of tangency; thence North 74°13'04" West, 312.54 feet to the point of beginning, thence South 15°46'56" West, 363.00 feet, then North 74°13'04" West, 300.00 feet, thence North 15°46'56" East, 363.00 feet to the South right-of-way line of Two Trees Road and 80 foot right-of-way, thence South 74°13'04" East, 300.00 feet to the point of beginning; all in undivided Township 2 South, Range 22 West, Okaloosa County, Florida.

Together with a non-exclusive easement for ingress and egress across the following described property:

A parcel of land in undivided Township 2 South, Range 22 West, Okaloosa County, Florida, described as commencing at the Southeast corner of Lot 4, Block 6, Silver Beach Subdivision, as recorded in Plat Book 1, Page 16 ½ of the official records; thence North 03°58'52" East, 1277.09 feet to the North right-of-way line of State Road 30 and the Southerly right-of-way line of a 100 foot wide Gulf Power easement; thence North 86°02'07" West (reference bearing) along said North right-of-way line, 434.71 feet to a point of divergence of said right-of-way lines; thence North 83°18'37" West to along said Southerly Gulf Power easement right-of-way line, 657.61 feet to the West right-of-way line of comprehensive road a 100 foot right-of-way; thence North 13°58'03" West, 346.03 feet; to a point of curvature, thence 339.42 feet along the arc of a curve, concave Southwesterly having a radius of 993.92 feet, a central angle of 19°33'58", and a chord bearing North 23°43'02" West, 337.77 feet; thence North 33°30'00" West, 245.99 feet to a point of curvature; thence 105.95 feet along the arc of a curve concave Southwesterly, having a radius of 149.08 feet, a central angle of 40°43'09" and a chord bearing North 53°51'32" West, 103.73 feet to a point of tangency; thence North 74°13'04" West, 312.54 feet to the point of beginning, thence continuing along last described course North 74°13'04" West, 733.07 feet to a point of curvature; thence 180.08 feet along the arc of a curve, concave Northeasterly having a radius of 200.00 feet, a central angle of 51°35'17", and a chord bearing North 42°25'25" West, 174.05 feet to a point on the Southern right-of-way line of Indian Bayou Trail; thence North 67°29'32" East, 80.00 feet along the South right-of-way of Indian Bayou Trail (100' r/w) to a point of curvature; thence 107.88 feet along the arc of a curve concave Northeasterly having a radius of 120.00 feet, a central angle of 51°30'24" and a chord bearing South 45°27'51" East, 104.28 feet; thence South 74°13'04" East, 733.07 feet; thence South 15°46'56" West, 80.00 feet to the Point of Beginning; all in undivided Township 2 South, Range 22 West, Okaloosa County, Florida.

SHEET INDEX

#	TITLE
01	COVER SHEET
02	EXISTING CONDITIONS
03	MASTER SITE PLAN
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BY	MSJ	DESCRIPTION
		REVISIONS PER CITY COUNCIL MEETING (2/5/2024) DIRECTION
DATE	REV	
2/6/2024	1	

CITY OF DESTIN
CITY OF DESTIN PICKLEBALL COURTS
DESTIN, FLORIDA
COVER SHEET
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JOB: 23-58
DATE: 10-2023
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01 OF 07

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C01

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LINE TABLE		
LINE	BEARING	DISTANCE
L1	N 00°59'13" E	74.26'
L2	S 88°41'04" E	138.44'
L3	N 01°18'55" E	19.71'
L4	S 88°41'04" E	121.55'
L5	N 01°18'58" E	19.04'
L6	S 88°41'04" E	68.79'
L7	N 63°48'26" E	130.91'
L8	S 15°45'26" W (S 15°46'56" W)	362.91' (363.00')
L9	S 74°11'51" E (S 74°13'04" E)	299.88' (300.00')
L10	N 15°48'57" E (N 15°46'56" E)	363.01' (363.00')



CITY OF DESTIN PICKLEBALL COURTS

DESTIN, FLORIDA

EXISTING CONDITIONS

JOB: 23-58
DATE: 10-2023
DESIGNED: MSJ
DRAWN: MPF

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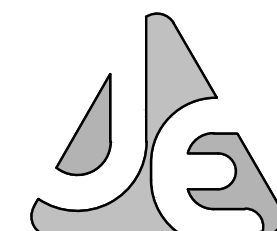
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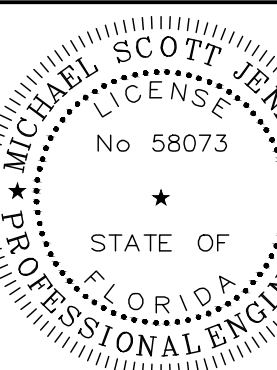
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BY	DATE	DESCRIPTION
MSJ	10/2023	DESIGN
MPF	10/2023	PERMITTING

REV	DATE	DESCRIPTION
01	10/2023	ISSUED FOR PERMITTING

CITY OF DESTIN

CITY OF DESTIN PICKLEBALL COURTS
DESTIN, FLORIDA

MASTER SITE PLAN

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JOB: 23-58
DATE: 10-2023
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DRAWN: MPF

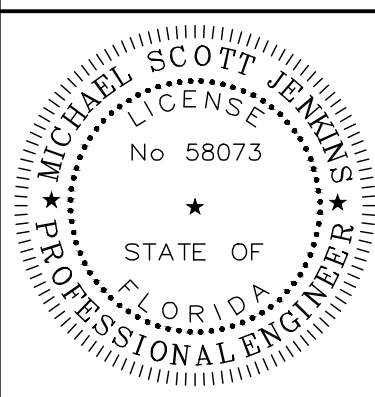
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FL. REGISTRATION NO. 58073

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CITY OF DESTIN

CITY OF DESTIN PICKLEBALL COURTS
DESTIN, FLORIDA

PHASE 1 SITE & UTILITY PLAN

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DATE: 10-2023
DESIGNED: MSJ
DRAWN: MPF

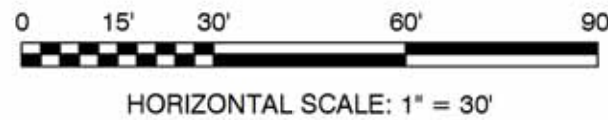
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1 SPECIFICATION: CLEARING AND GRUBBING

All site Clearing and Grubbing shall be in accordance with section 110 of the "Florida Department of Transportation Specifications for Road and Bridge Construction" unless modified herein. This work shall be performed in the following areas:

- All street rights-of-way.
- All areas where excavation or embankment are to take place.
- Detention areas.

In addition, certain other areas where underground utilities are to be installed are to be cleared and grubbed to the extent necessary to properly install the utilities. Such work shall be incidental to the contract unit price for the utility to be installed.

1.1 SCOPE:

Site clearing work includes, but is not limited to:

- Removal of trees and other vegetation.
- Topsoil stripping.
- Clearing and grubbing.
- Removing above grade improvements.
- Removing below grade improvements.

1.2 JOB CONDITIONS:

Traffic: Conduct site clearing operations to ensure minimum interference with roads, streets, walks, and other adjacent occupied or used facilities. Do not close or obstruct streets, walks, or other occupied or used facilities without permission from the Owners and/or Local approving authority.

Clearing and Protection in Construction Areas: Preserve trees 6 inches or larger measured breast height (6"dbh) where possible within construction area.

Protection of Existing Improvements: Provide protection necessary to prevent damage to existing improvements indicated to remain in place.

Protect improvements on adjoining properties and on project site.

Restore damaged improvements to original condition as acceptable to the Owner.

1.3 LIMITATIONS:

Clearing will be limited to the extent necessary to allow for construction of the proposed improvements as a result of:

- Need for access to the project site for construction equipment.
- Essential grade changes.
- Surface water drainage and utility installation.
- Location of driveways, buildings, and required parking.

1.4 CLEARING AND GRUBBING:

Remove trees, shrubs, grass, other vegetation, improvements, or obstructions interfering with the installation of new construction. Removal includes digging out stumps and roots. Do not remove items elsewhere on site or premises unless specifically indicated. Disposal of trees, limbs, stumps, and debris shall be the responsibility of the Contractor.

Strip topsoil to whatever depths encountered to prevent intermingling with underlying subsoil or other objectionable material. Cut heavy growths of grass from areas before stripping.

Stockpile topsoil in storage piles in areas shown or where directed by the Owner. Construct storage piles to freely drain surface water. Cover storage piles if required to prevent windblown dust.

Dispose of unsuitable or excess topsoil same as specified for waste material.

1.5 FILLING:

Fill depressions caused by clearing and grubbing operations with satisfactory soil material, unless further excavation or earthwork is indicated.

Place fill material in horizontal layers not exceeding 6" loose depth, and thoroughly compact to density equal to adjacent ground, unless otherwise shown on the plans.

1.6 REMOVAL OF IMPROVEMENTS:

Remove existing above and below grade improvements and abandoned underground piping or conduit necessary to permit construction and other work.

1.7 DISPOSAL OF WASTE MATERIALS:

No burning of any material, debris, or trash will be allowed.

Remove waste materials from project site on a daily basis, and dispose of off-site in an approved area.

2 SPECIFICATION: EXCAVATION, EMBANKMENT AND SUBGRADE

2.1 EXCAVATION, EMBANKMENT AND SUBGRADE:

Section 120 of the Florida D.O.T. Specification. All subgrade fill material, and the top 12 inches in cut area, shall be compacted to 100 percent of maximum density as determined to AASHTO T-99. The Subgrade Compaction (Stabilization) shall conform to Section 160 of the Florida D.O.T. Specifications. In most cases this will consist of compacting existing cleaned soil. However, it is the Contractor's responsibility to assure that the finished roadbed section meets bearing value requirements, regardless of the quantity of stabilizing materials to be added. One field density test shall be taken for each 5000 square feet or fraction thereof.

Where required subgrade density cannot be obtained, unsuitable material shall be removed so that the road base will be constructed on a minimum of 3 feet of suitable, properly compacted material. This work shall be included in the contract lump sum price for earth excavation.

2.2 SOIL CEMENT BASE:

The detailed specifications of the soil cement base course are to be determined by an independent testing laboratory after testing of the material the Contractor proposes to use. Moisture and cement content will be specified by the laboratory. However, as a guide for bid purposes, estimate 12% cement by weight and include a price reduction schedule if tests show less cement is required. The soil cement mix will be at optimum moisture content, i.e., neither mushy nor dry, but containing sufficient moisture to make a firm case when squeezed in the hand. Water should not appear on the hand when so squeezed. This requires 5 to 6 gallons per square yard but actual quantity of water to be added will depend on latent moisture in the base material. From a practical standpoint, the highest moisture content should be maintained that permits packing and finishing without surface checking, shoving or rutting during compaction and finishing operations.

The freshly compacted and finished soil-cement mix must be adequately cured. An application of bituminous material such as RC-2, MC-3, RT-5 or asphaltic emulsion at a rate of 0.15 to 0.20 gal per square yard is preferred as the curing medium. Waterproof paper or moist hay is acceptable if properly maintained.

2.3 SAND-CLAY BASE COURSE:

The following tests shall be performed prior to placing the material on the roadbed:

Composition and gradation	Percent of material passing the 10-mesh sieve
• Clay (material smaller than 0.005mm)	8 to 21
• Silt (material from 0.005 to 0.005mm)	0 to 10
• Combined clay and silt	8 to 25
• Limerock Bearing Ration Value (LBR)	Of at least 75
• Liquid Limit	Not greater than 25
• Plasticity Index	Not greater than 6

The results of these tests shall be submitted to the engineer for approval. The base course shall be compacted to not less than 98 percent of the maximum density as determined by AASHTO T-180. One density test shall be taken for each 5000 square feet or fraction thereof.

CONTINUED ON NEXT COLUMN

Note: Sand Clay base material shall not be used in areas where the seasonal high groundwater table is within two (2) feet of the bottom of the base material.

2.4 LIMEROCK BASE COURSE:

Shall be constructed in accordance with Section 200 of the Florida D.O.T. Specifications for Road and Bridge Construction. The material shall meet the requirements of Section 911 of the Specifications. Tests necessary to determine compliance with Section 911 shall be performed prior to placing the material on the subgrade. These tests include:

Test	Requirement
• Liquid Limit	Less than 35
• Plastic Index	Non-Plastic
• Gradation	97% passing 3.5 inch sieve
• Limerock Bearing Ratio	Not less than 100

The results of these tests shall be submitted to the engineer for approval. After approval of the material, the limerock base course shall be placed in accordance with Section 200. The base course shall be compacted to not less than 98 percent of the maximum density as determined by AASHTO T-180. A minimum of three density tests shall be made on each days compaction operations. More frequent tests shall be made as deemed necessary by the Engineer. The base shall be installed to a compacted thickness as shown on the plans, plus or minus one half inch. Deviations from this specification shall be corrected as indicated in the State Specifications.

2.5 GRADED AGGREGATE BASE COURSE:

Shall comply with the requirements of Section 204 of the Florida D.O.T. Specifications. Tests necessary to determine compliance with Section 204 shall be performed prior to placing the material. These tests include:

- Soundness Loss, Sodium, Sulfate: AASHTO T-104.
- Percent Wear: AASHTO T-96 (Grading A).
- Sieve Analysis.
- Limerock Bearing Ratio Value.

The results of these tests shall be submitted to the engineer for approval. After the approval of the material, the graded aggregate base course shall be placed in accordance with Section 204. The base course shall be compacted to a density of not less than 100 percent of the maximum density as determined by AASHTO T-180. At least three density tests shall be made on each day's final compaction operation of each course, and the density determinations shall be made at more frequent intervals if deemed necessary by the Engineer.

2.6 ASPHALT BASE COURSE:

Shall comply with the requirements of Sections 280, 330, 331 and 916 of the Florida D.O.T. Specifications. The design mix for Asphaltic Base Course Type 3 shall conform to the requirements in Tables 331-1 and 331-2. The minimum Marshall stability shall be 1000 lbs./sq. in. as indicated in Table 331-2. Percent bitumen by weight of total mix: 5.0 (minimum). Two copies each of the actual design mix shall be submitted to the Engineer. Written approval of the Asphalt base course design mix must be obtained from the engineer prior to commencing base course construction. Once the design mix has been approved by the engineer, sieve analysis tolerances indicated in Table 331-5 are allowable during construction. If sieve analysis values fall outside these tolerances, design mix must be resubmitted for acceptance. After the approval of the mix design, the Asphalt base course shall be placed in accordance with Section 280 and compacted in accordance with Section 330-10.

NOTE: STORMWATER DRAINAGE SHALL BE CONTROLLED DURING ALL PHASES OF CONSTRUCTION.

3 SPECIFICATION: ASPHALT CONCRETE PAVING

3.1 SCOPE:

This section includes materials and work required for installation of flexible asphaltic concrete pavement for parking and drive areas shown on the plans.

3.2 APPLICABLE PUBLICATIONS:

The publications listed below form a part of this specification to the extent referenced. The publications shall be the most current issue and are referred to in the text by the basic designation only. The following are minimum requirements and shall govern except that all local, state, and/or federal codes and ordinances shall govern when their requirements are in excess hereof. All asphalt construction shall be in accordance with applicable sections of the "Florida Department of Transportation Specifications for Road and Bridge Construction" unless modified herein.

Florida Department of Transportation Specifications:	
• Section 901	Course Aggregate
• Section 902	Fine Aggregate
• Section 916	Bituminous Materials
• Section 917	Mineral Filler
• Section 300	Bituminous Treatments, Surface Courses and Concrete Pavement
• Section 331	Type S Asphalt Concrete

American Society for Testing and Materials (ASTM) Publications:	
• D 1557	Moisture-Density Relations of Soils and Soil-Aggregate Mixtures Using 10 lb (4.54 kg) Rammer and 18-in. (457mm) Drop.
• D 1557	Marshall Stability Mix Design

3.3 SUBMITTALS:

Asphalt Design Mix: Before any asphalt surface is constructed, submit two copies of each of the actual design mix to the Engineer and Owner.

Written approval of the asphaltic concrete design mix must be obtained from the Engineer and Owner prior to commencing asphalt pavement construction.

Material Certificates: Furnish copies of materials certificates signed by material producer and Contractor, certifying that each material item complies with, or exceeds specified requirements.

Asphalt extraction tests.

Aggregate gradation tests.

Marshall stability tests.

3.4 JOB CONDITIONS:

Weather limitations: Apply prime and tack coats when ambient temperature is above 40 degrees, and when temperature has not been below 35 degrees for 12 hours prior to application. Do not apply when base is wet or contains excess moisture.

3.5 MATERIALS:

Mineral Filler: Rock dust, hydraulic cement, or other inert material complying with Section 917 of the Florida D.O.T. Specification.

Asphalt Cement: The bituminous material shall be AC-20, viscosity grade and comply with Section 916 of the Florida D.O.T. Specification.

Course Aggregate: Comply with Section 901 of the Florida D.O.T. Specification.

Fine Aggregate: Comply with Section 902 of the Florida D.O.T. Specification.

Prime Coat and Tack Coat: The bituminous material for the Prime Coat shall be MC-70. The bituminous material for the Tack Coat shall be AC-20, or Emulsified asphalt, grade RS-2 and comply with the requirements in Section 300 and 916 of the Florida D.O.T. Specifications.

Asphaltic Concrete Design Mixes: Asphalt shall conform to the requirements for Type S Asphalt as indicated in Section 331 of the Florida D.O.T. Specifications.

Mix shall be within sieve analysis and bitumen range given in Section 331 of the Florida D.O.T. Specifications.

Minimum Marshall stability shall be in 1500 lbs./sq. in. as indicated in Table 331-2 of the Florida D.O.T. Specifications.

Percent bitumen by weight of total weight mix: 5.0 - 8.5.

CONTINUED ON NEXT COLUMN

Once design mix has been accepted by Engineer and Owner, sieve analysis tolerances indicated in Table 331-5 are allowable during construction. If sieve analysis values fall outside these tolerances, design mix must be resubmitted for acceptance.

Provide asphalt-aggregate mixture as recommended by local or state paving authorities to suit project conditions. Use locally available materials and gradations which meet Florida D.O.T. Specifications and exhibit satisfactory record on previous installations.

3.6 BASE COURSE PREPARATION:

Prior to construction of the base course, the top 12 inches of subgrade shall be compacted to a minimum soil density of 98% of the Modified Proctor Test Density (ASTM 1557). The subgrade shall be sterilized by a borate or chlorate sterilant containing not less than 25% sodium chlorate and shall be mixed thoroughly with water at the rate of 1-1/2 lbs. of sterilant per gallon of water. The sterilant shall be applied evenly at the rate of 0.2 gallons per square yard to subgrades that are less than 12" below original grades. If prepared base course will not be immediately covered with asphalt on the same day and wind-blown seeds will contaminate the base course surface, the sterilants shall be applied to the base course contaminate the base course.

Remove loose material from compacted base material surface immediately before applying prime coat.

Proof roll prepared base material surface to ensure unstable areas have been corrected and are ready to receive paving.

Prime Coat:

- Apply bituminous prime coat to base material surfaces where asphaltic concrete paving will be constructed.
- Apply bituminous prime coat in accordance with Section 300 of Florida D.O.T. Specifications.
- Apply at minimum rate of not less than 0.15 gal./sq. yd. over compacted base material. Apply material to penetrate and seal, but not flood, surface.
- Cure and dry as long as necessary to attain penetration and evaporation of volatile.

Tack Coat:

- Tack coat shall be applied in accordance with Section 300 of Florida D.O.T. Specifications. Apply to contact surfaces of previously constructed asphalt or portland cement and concrete and surfaces abutting or projecting into asphalt concrete pavement.
- Apply tack coat to full depth asphalt base course and sand asphalt base course. Apply emulsified asphalt tack coat between each lift or later of full depth asphalt and sand asphalt bases and on surface of such bases where asphaltic concrete paving will be constructed.
- Distribute at rate of 0.06 ga./sq. yd. of surface.
- Allow to dry until at proper condition to receive paving.

3.7 PLACING ASPHALT MIX:

Place asphalt concrete mixture on prepared surface, spread, and strike off. Spread mixture at the following minimum temperatures:

- When ambient temperature is between 40 degrees F and 50 degrees F: 285 degrees F.
- When ambient temperature is between 50 degrees F and 60 degrees F: 280 degrees F.
- When ambient temperature is higher than 60 degrees F: 275 degrees F.

Place inaccessible and small areas by hand. Place each course to required grade, cross-section, and compacted thickness.

Paver Placing:

- Place in strips not less than 10'-0" wide, unless otherwise acceptable to the Contracting Officer.
- After first strip has been placed and rolled, place succeeding strips and extend rolling to overlap previous strips.

Joints:

- Construct joints between old and new pavements as detailed in the plans.
- Joints between successive days work shall be constructed to ensure continuous bond between adjoining work.
- Construct joints to have same texture, density, and smoothness as other sections of asphalt concrete course.
- Clean contact surfaces and apply tack coat.

3.8 COMPACTION:

Each lift of asphalt shall be compacted to a minimum of 98% of the Marshall test ASTM D1559. Begin rolling when mixture will bear roller weight without excessive displacement. Compact mixture with hot hand tampers or vibrating plate compactors in areas inaccessible to rollers.

Breakdown Rolling:

- Accomplish breakdown or initial rolling immediately following rolling of joints and outside edge.
- Check surface after breakdown rolling, and repair displaced areas by loosening and filling, if required, with hot material.
- Second Rolling:
- Follow breakdown rolling as soon as possible, while mixture is hot.
- Continue second rolling until mixture has been thoroughly compacted.

Finish Rolling:

- Perform finish rolling while mixture is still warm enough for removal of roller marks.
- Continue rolling until roller marks are eliminated and course has attained maximum density.

Patching:

- Remove and replace paving areas mixed with foreign materials and defective areas.
- Cut out such areas and fill with fresh, hot asphalt concrete.
- Compact by rolling to maximum surface density and smoothness.

Protection:

- After final rolling, do not permit vehicular traffic on pavement until it has cooled and hardened.
- Erect barricades to protect paving from traffic until mixture has cooled enough not to become marked.

3.9 FIELD QUALITY CONTROL:

An independent Testing Laboratory, selected and paid by the contractor shall be retained to perform construction testing of in-place asphalt courses for Asphalt Extraction, Aggregate gradation, Marshall Stability, thickness and surface smoothness.

Thickness: In-place compacted thickness shall not be less than thickness specified on the drawings.

Surface Smoothness: Testing shall be performed on the finished surface of each asphalt concrete course for smoothness, using 10'-0" straightedge applied parallel with, and at right angles to centerline of paved area. The variation of the surface from the edge of the straight edge between any two contact points shall not exceed 1/4". Check surface areas at intervals necessary to eliminate ponding areas. Repair or remove and replace unacceptable paving as directed by the Contracting Officer.

Asphalt content, Aggregate gradation, and Marshall Stability shall be as specified in Section 331 of the Florida D.O.T. Specifications.

4 SPECIFICATION: PORTLAND CEMENT CONCRETE PAVING

4.1 SCOPE:

This section includes sidewalks, curbs, and miscellaneous concrete pavement.

4.2 APPLICABLE PUBLICATIONS:

The publications listed below form a part of this specification to the extent referenced. The publications shall be the most current issue and are referred to in the text by the basic designation only. The following are minimum requirements and shall govern except that all local, state, and/or federal codes and ordinances shall govern when their requirements are in excess hereof. All concrete construction shall be in accordance with applicable sections of the "Florida Department of Transportation Specifications for Road and Bridge Construction" unless modified herein.

Florida Department of Transportation Specifications:	
• Section 345	Portland Cement Concrete
• Section 350	Cement Concrete Pavement
• Section 520	Concrete Gutter, Curb Elements and Traffic Separator
• Section 931	Metal Accessory Materials for Concrete Pavement and Concrete Structures

American Society for Testing and Materials (ASTM) Publications:

- A 615 Deformed and Plain Billet Steel Bars for Concrete Reinforcement
- D 1557 Moisture-Density Relations of Soils and Soil-Aggregate Mixtures Using 10-lb. (4.54 kg) Rammer and 18-in. (457mm) Drop.
- D 1751 Preformed Expansion Joint Filler for Concrete Paving and Structural Construction. (Nonextruding and Resilient Bituminous Types)

4.3 SUBMITTALS:

Material Certifications: Furnish copies of materials certificates signed by material producer and Contractor, certifying that each material item complies with, or exceeds, specified requirements.

4.4 MATERIALS:

Forms:

- Steel, wood, or other suitable material of size and strength to retain horizontal and vertical alignment until removed.
- Use straight forms, free of distortion and defects.
- Use flexible spring steel forms or laminated boards to form radius bends as required.

Form Release Agent:

- Coat forms with nonstaining type coating that will not discolor or deface surface of concrete.

Welded Wire Mesh:

- Welded plain cold-drawn steel wire fabric. Furnish in flat sheets, not rolls, unless otherwise acceptable to Contracting Officer. Welded wire mesh shall be free from rust, dirt, foreign matter and shall not be stored directly on the ground. Wire fabric shall comply with Sections 931 of the Florida D.O.T. Specifications.

Reinforcing Bars:

- Deformed steel bars, ASTM A 615, Grade 40. Reinforcing bars shall be free from rust, dirt, foreign matter and shall not be stored directly on the ground. Deformed steel bars shall comply with Section 931 of the Florida D.O.T. Specifications.

Concrete Materials:

- Comply with requirements of Sections 345 and 350 of the Florida D.O.T. Specifications for concrete materials, admixture, bonding materials, curing materials, and others as required.

Joint Fillers:

- Resilient premolded bituminous impregnated fiberboard units complying with ASTM D 1751. Joint fillers shall comply with Section 932 of the Florida D.O.T. Specifications.

4.5 MIXING:

Design mix to produce normal weight concrete consisting of Portland cement, aggregate, water-reducing or high-range water reducing admixture (super-plasticizer), air-entraining admixture and water to produce following properties:

- Compressive Strength: Minimum 3,000 psi for curb and walkways and 4,000 psi for pavement, at 28 days. In addition, concrete for pavement shall have a minimum modulus of rupture of 600 psi.
- Slump Range: 3" - 5".
- Air Content: 3% to 6%.

4.6 PREPARATION:

Surface Preparation:

- Remove loose material from compacted base material surface immediately before placing concrete.
- Compact the top 12 inches of subgrade to a minimum soil density of 98% for the Modified Proctor Test (ASTM D 1557) to result in a minimum modulus of subgrade reaction (k) of 150 psi/in. Proof-roll prepared base material surface to check for unstable areas. The paving work shall begin after the unsuitable areas have been corrected and are ready to receive paving. Compaction testing for the base material shall be completed prior to the placement of the paving.

4.7 CONCRETE INSTALLATION:

Form Construction:

- Set forms to required grades and lines, rigidly braces and secured. Install sufficient quantity of forms to allow continuous progress of work and so that forms can remain in place at least 24 hours after concrete placement.
- Check completed formwork for grade and alignment to following tolerances:
 - Top of forms not more than 1/8" in 10'-0".
 - Vertical face on longitudinal axis, not more than 1/4" in 10'-0".
 - Clean forms after each use, and coat with form release agent as often as required to ensure separation from concrete without damage.

Reinforcement:

- Locate, place, and support reinforcement to ensure compliance with plans.

Concrete Placement:

- Comply with requirements of Sections 345, 350, and 520 of Florida D.O.T. Specifications for mixing and placing concrete.

Do not place concrete until base material and forms have been checked for line and grade. Moisten base material if required to provide uniform dampened condition at time concrete is placed. Concrete shall not be placed around manholes or other structures until they are at the required finish elevation and alignment.

Place concrete using methods, which prevent segregation of mix. Consolidate concrete along face of forms and adjacent to transverse joints with internal vibrator. Keep vibrator away from joint assemblies, reinforcement, or side forms. Consolidate with care to prevent dislocation of reinforcing, dowels, and joint devices.

Deposit and spread concrete in continuous operation between transverse joints, as far as possible. If interrupted for more than 1/2 hour place construction joint.

Curbs and Gutters:

Automatic machine may be used for curb and gutter placement at Contractor's option. Machine placement must produce curbs and gutters to required cross section, lines, grades, and jointing as specified for formed concrete. If results are not acceptable, remove and replace with formed concrete as specified.

4.8 JOINT CONSTRUCTION:

Construct expansion, weakened-plane (Contraction), and construction joints true-to-line with face perpendicular to surface of concrete. Construct transverse joints at right angles to centerline, unless otherwise indicated.

Weakened-Plane (Contraction) Joints:

- Provide weakened-plane (contraction) joints, sectioning concrete into areas at 15'-0" o.c. maximum each way.
- Sidewalks shall have contraction joints at 5'-0" o.c.
- Construct weakened-plane joints for depth equal to at least 1/4 concrete thickness.

Tooled Joints:

Form weakened-plane joints in fresh concrete by grooving top portion with recommended cutting tool and finishing edges with jointer.

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M. SCOTT JENKINS, P.E.
FL REGISTRATION NO. 58073

BY	DESCRIPTION	DATE	REV
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CITY OF DESTIN

CITY OF DESTIN PICKLEBALL COURTS
DESTIN, FLORIDA

SPECIFICATIONS 1

JOB: 23-58

DATE: 10-2023

DESIGNED: MSJ

DRAWN: MPF

BAR IS ONE INCH ON ORIGINAL
0" 1"
IF NOT ONE INCH ON THIS SHEET
ADJUST SCALES ACCORDINGLY

DRAWING NUMBER
06 OF 07

SHEET NUMBER
C06

Construction Joints: Plan concrete placement such that construction joints fall at expansion joints as detailed in the plans. Expansion Joints: Provide premolded joint filler for expansion joints abutting concrete curbs, catch basins, manholes, inlets, structures, walks, and other fixed objects. Locate expansion joints at 40'-0" o.c. maximum for each pavement lane or for curb. Located expansion joints at 50'-0" o.c. maximum for walkways. Joint Fillers: Extend joint fillers full-width and depth of joint, and not less than 1/2" or more than 1" below finished surface where joint sealer is indicated. Furnish joint filler in one-piece lengths for full width being placed, wherever possible. Where more than one length is required, lace or clip joint filler sections together. Joint Sealants: Exterior pavement joint sealants shall be composed of a non-priming, pourable, self-leveling type polyurethane sealant, such as grey shep-calk, or approved equal suitable for use in pavements and sidewalks. 4.9 CONCRETE FINISHING: After striking-off and consolidating concrete, smooth surface by screeding and floating. Adjust floating to compact surface and produce uniform texture. After floating, test surface for trueness with 10'-0" straightedge (maximum deviation of 1/4 inch). Distribute concrete as required to remove surface irregularities, and refloat repaired areas to provide continuous smooth finish. Work edges of slabs, gutters, back top edge of curb, and formed joints with an edging tool, and round to 1/2" radius. Eliminate tool marks on concrete surface. After completion of floating and troweling when excess moisture or surface sheen has disappeared, complete surface finish as follows: Curbs, Gutters, and Walks: Broom finish by drawing fine-hair broom across concrete surface perpendicular to line of traffic. Repeat operation if required to provide fine line texture. Inclined Slab Surfaces: Provide coarse, nonslip finish by scoring surface with stiff-bristled broom perpendicular to line of traffic. Paving: Burlap finish by dragging seamless strip of damp burlap across concrete perpendicular to line of traffic. Repeat operation to provide gritty texture. Do not remove forms for 24 hours after concrete has been placed. After form removal, clean ends of joints and point up any minor honeycombed areas. Remove and replace areas or section with major defects, as directed. Protect and cure finished concrete paving in accordance with "Florida Department of Transportation Specifications for Road and Bridge Construction" Section 350-13. 4.10 CLEANING AND ADJUSTING: Repair or replace broken or defective concrete as directed. Protect concrete from damage until acceptance of work. Exclude traffic from pavement for at least 14 days after placement. When construction traffic is permitted, maintain pavement as clean as possible by removing surface stains and spillage of materials. Sweep concrete pavement and wash free of stains, discolorations, dirt, and other foreign material just prior to final inspection. 5 SPECIFICATION: FENCING The Contractor shall install fencing as shown on the plans and in accordance with the manufacturer's brochure. The following are minimum requirements and shall govern except that all local, state and/or federal codes and ordinances shall govern when their requirements are in excess hereof. 5.1 MATERIAL CERTIFICATES: Furnish copies of materials certificates signed by material producer and Contractor, certifying that each material item complies with, or exceeds, specified requirements. 5.2 MATERIALS: All materials and equipment incorporated in the work shall be new, clean, and free of visual defects unless otherwise specified, and that all work will be of good quality, free from faults and defects and in conformance with the Contract Documents. All work not conforming to these requirements may be considered defective. Height shall be as required as shown on the construction plans. Fabric shall be #9 gauge, chain link open hearth steel wire, hot-dipped galvanized after weaving with minimum coating of 2.0 ounce of zinc per square foot or aluminum coating with .40 ounces per square foot, woven in 2" diamond mesh. Line post, top, intermediate and bottom rails, shall be 1-5/8" O.D. steel pipe, weight 2.27 lbs. per foot, hot-dipped galvanized. Set 36" deep in concrete. Terminal, corner, gate and pull posts shall be 3" O.D. pipe, 5.79 lbs. Set 36" deep in concrete. Concrete for setting posts shall be Portland Cement complying with ASTM C-150, aggregates complying with ASTM C-33, and clean water. Mix materials to obtain concrete with a minimum 28-day compressive strength of 2,500 psi. Stretcher bar bands, tie wires, hog rings, couplings, nuts, stretcher bars, bolts, and miscellaneous fastening devices shall be manufacturer's standard for heavy construction fence. Swing gates shall consist of the following components. 2" O.D. steel pipe 2.72 lbs. per foot, hot-dipped galvanized. Each frame to be equipped with 3/8" diameter adjustable truss rods. Hinges shall be hot-dipped galvanized pressed steel or malleable iron to suit gate size, non-lift-off type. Hinges shall be offset to permit 180 degrees opening. Provide one (1) pair of hinges per lead. Latch shall be forked type to permit operation from either side with provisions to lock both sides with padlock. 5.3 ACCEPTABLE MANUFACTURERS: Cyclone Fence, Page Fence, and Hackney Corporation. 6 SPECIFICATION: TRAFFIC STRIPING AND PAINTING The Contractor shall paint traffic striping as shown on the plans. The following are minimum requirements and shall govern except that all local, state and/or federal codes and ordinances shall govern when their requirements are in excess hereof. All traffic striping and painting shall be in accordance with Sections 710 and 971 of the "Florida Department of Transportation Roadway and Traffic Design Standards". 6.1 MATERIAL CERTIFICATES: Furnish copies of materials certificates signed by material producer and Contractor, certifying that each material item complies with, or exceeds, specified requirements. 6.2 TRAFFIC STRIPING AND PAINTING: Traffic control markings shall be marked on pavement as indicated on drawings. Paint shall be in sealed containers that plainly show the designated name, formula or specification number, batch number, color, date of manufacture, manufacturer's name, formulation number, and directions, all of which shall be plainly legible at the time of use. The paint shall be homogeneous, easily stirred to smooth consistency, and shall show no hard settlement or other objectionable characteristics during a storage period of six months. All machines, tools, and equipment used in performance of the work shall be approved and maintained in satisfactory operating condition. Hand-operated push-type machines of a type commonly used for application of paint to pavement surfaces shall be acceptable for marking small street and parking areas. Applicator machines shall be equipped with necessary paint tanks and spraying nozzles, and shall be capable of applying paint uniformly at the coverage specified. Sandblasting equipment shall be provided as required for cleaning surfaces to be painted. Hand-operated spay guns shall be provided for use in areas where push-type machines cannot be used. New pavement surfaces shall be allowed to cure for a period of not less than thirty days before application of marking materials. All surfaces to be marked shall be thoroughly cleaned before application of the paint. Dust, dirt, and other granular surface deposits shall be removed by sweeping, blowing with methods as required. Rubber deposits, surface laitance, existing paint markings and other coatings adhering to the pavement shall be completely removed with scrapers, wire brushes, sandblasting, approved chemicals, or mechanical abrasion as directed. Paint shall be applied evenly to the pavement surface to be coated at a rate of 105 plus or minus 5 square feet per gallon. Paint shall be applied as shown on the drawings. Paint shall be applied to clean, dry surfaces, and unless otherwise approved, only when air and pavement temperatures are above 40 degrees F and less than 95 degrees F. Paint temperature shall be maintained within these same limits. Paint shall be applied pneumatically with approved equipment at rate of coverage specified herein. The Contractor shall provide guidelines and templates as necessary to control paint application. Special precautions shall be taken in marking numbers, letters, and symbols. All edges of marking shall be sharply outlined. The maximum drying time requirements of the paint specifications will be strictly enforced, to prevent undue softening bitumen, and pickup, displacement, or discoloration by tires of traffic. If there is a deficiency in drying of the markings, painting operations shall be discontinued until cause of the slow drying is determined and corrected. Suitable warning signs shall be placed near the beginning of the work site and well ahead of the work site for alerting approaching traffic from both directions. Small markers shall be placed along newly painted lines to control traffic and prevent damage to newly painted surfaces. Painting equipment shall be marked with large warning signs indication that slow moving painting equipment is in operation. Markings which must be visible at night shall be reflectorized unless ambient illumination assures adequate visibility. 7 SPECIFICATION: WATER DISTRIBUTION SYSTEM The Contractor shall provide and install all materials for a potable water distribution system as shown on the drawings and in this specification. In addition, he shall obtain all permits and conduct all tests required by local, state and federal authorities and as specified on these drawings. 7.1 MATERIALS: All materials and equipment incorporated in the work shall be new, clean, and free of visual defects unless otherwise specified, and that all work will be of good quality, free from faults and defects and in conformance with the Contract Documents. All work not conforming to these requirements may be considered defective. Piping less than 4 inches in diameter: • Polyvinyl Chloride (PVC) 160 psi, SDR 26 ASTM D-2241 • Polyethylene pipe 160 psi, SDR 9 ASTM D-3350 & ASTM D-2239 • Polyethylene tubing 200 psi, SDR 9 ASTM D-3350 & ASTM D-2737 Piping greater than 4 inches in diameter: • Polyvinyl Chloride (PVC) 150 psi AWWA C-900 (DR 18) • Ductile Iron (Class 50) ANSI A21.51 Joints for PVC pipes: • Joints shall comply with ASTM D-3139 • No solvent cements or toxic lubricant will be allowed. • Expansion capability will be provided. Joints for Ductile Iron pipes: • Joints shall comply with AWWA C-153 or AWWA C-110 Gate Valves: • Valves shall comply with AWWA C-509 • 200 psi iron body, bronze mounted, non-rising stems with square operating nuts and a suitable valve box. 7.2 INSTALLATION: Shall comply with all local, state and federal regulations. The Contractor shall provide proper facilities for handling and laying pipe and accessories. No pipe will be laid in unsuitable weather or in water. The Contractor will verify all field dimensions with the design Engineer (including Field Stake-Out) prior to commencing work. The Contractor shall notify the Engineer at 24 hours prior to installing any portion of the water main distribution system. He shall also stake all service connections and provide as-built dimensions to the Engineer. Connections to the existing system shall be coordinated with the Utility Company. Minimal service interruption shall occur and traffic safeguards shall be taken. The Contractor shall conduct hydrostatic pressure and leakage tests as follows: Apply 150 psi or 150% of the working pressure whichever is greater to the test line. Duration of the pressure test shall be at least two (2) hours. After 1/2 hour, check pressure, if pressure has dropped, inspect for leaks and correct as required. Repeat tests until there are no leaks or pressure loss. Pressure must hold for two hours. Note: The Contractor shall notify the Utility Company and the Engineer at least 48 hours prior to conducting pressure and leakage tests. A 3/4 inch hose bib connection will be required for gauge connection. The Contractor shall sterilize the lines by chlorinating at 40 to 50 ppm, injecting at a corporation stop and operating all valves and accessories. Flush system. Subsequent tests on replacement water shall show a chemical and bacterial count equal to the supply main. Samples shall be taken and tested at the expense of the Contractor, and results shall be acceptable to local, state and federal agencies of interest. 7.3 NOTES: All water piping and fittings used shall be National Sanitation Foundation (N.S.F.) approved for potable water. A minimum separation of 10 ft. horizontal, outside to outside and 18 inches vertical is required between all water lines and the sanitary sewer system. When trench excavation depth exceeds five feet, the Contractor shall provide trench protection (shields, sloping, shoring, etc.) and shall comply with OSHA Standard 29 CFR, Section 1926.650 Subpart P. In accordance with rules of the Florida Department of Environmental Protection (DEP), Chapter 62-555, the Engineer of record will be responsible for observation of construction of the Potable Water System. The Engineer shall be notified at commencement and completion of construction. To assure compliance with plans and specifications, said Engineer will report to DEP upon completion of construction and cleaning and disinfecting described above before the system can be placed in service. All PVC potable water lines and services will be marked with No. 14 copper insulated tracer wire to enable location with a Ferrous Metal Detector. The tracer wire will be placed 12 inches above and throughout the length of all such pipe. 7.4 FIRE HYDRANTS: All fire hydrants shall be 6 inch, three way hydrants with two 2-1/2 inch hose nozzles and one 4-1/2 inch pump nozzle, designed for 150 lbs working pressure or 300 lbs hydrostatic pressure and shall conform to the latest specifications of the AWWA All working parts shall be bronze. All hose threads shall be National Standard Threads. Hydrants shall have a mechanical joint end inlet. Hydrants shall be Traffic Breakaway Model. The hydrant main valve shall be a compression type that closes with the water pressure. Hydrants shall have not less than a 5-1/4 inch valve opening. All hydrants shall be equipped with automatic self-oiling reservoirs that lubricate the stem threads and all bearing surfaces each time the hydrant is operated. Hydrants shall be painted one coat of red iron oxide, zinc oxide primer conforming to Steel Structures Painting Council SSPC-paint 25 and two finish coats of silicone alkyl paint conforming to Steel Structures Painting Council SSPC-paint 21. Fire hydrants shall be painted in accordance with NFPA 291, Recommended Practice For Fire Flow Testing and Marking of Hydrants. 8 SPECIFICATION: SANITARY SEWER SYSTEM The Contractor shall provide and install all gravity sewer material shown on the drawings and in this specification. In addition, he shall obtain all permits and conduct all tests required by local, state and federal authorities and as specified on these drawings. 8.1 MATERIALS: All materials and equipment incorporated in the work shall be new, clean, and free of visual defects unless otherwise specified, and that all work will be of good quality, free from faults and defects and in conformance with the Contract Documents. All work not conforming to these requirements may be considered defective. Piping: • PVC Gravity Sewer ASTM D-3034, SDR-35 • Ductile Iron Pipe (D.I.P.) ANSI A21.51 • PVC Force Mains (160 psi) ASTM D-1784 and D-2241 Joints: • PVC, Rubber Ring ASTM D-1869 • D.I.P. Joints, Rubber Gasket ANSI A21.11 NOTE: ALL JOINTS TO BE BELL AND SPIGOT TYPE. Concrete: • Poured or Pre-cast 4000 psi at 28 days 8.2 INSTALLATION: Shall comply with all local, state and federal regulations. The Contractor shall provide proper facilities for handling and laying pipe and accessories. Trenches shall be properly prepared; pipe shall be supported over its full length and bell holes hand dug as required. No pipe will be laid in unsuitable weather or in water. The Contractor will verify all field dimensions and report all discrepancies (including field stake-out) prior to commencing work. The contractor shall notify the Engineer at least 24 hours prior to installing any portion of the sanitary sewer system. He shall also stake all service connections and provide as-built dimensions to the Engineer. Manholes, cleanouts and the like shall be located, built and sized as shown on these drawings. Connections with existing sewer systems shall be coordinated by the Contractor with the utility company. A minimum separation of 10 ft. horizontal measured outside to outside and 18 inches vertical is required between sanitary sewer lines and all water lines. When trench excavation depth exceeds five feet, the Contractor shall provide trench protection (shields, sloping, shoring, etc.) and shall comply with OSHA Standard 29 CFR, Section 1926.650 Subpart P. In accordance with rules of the Florida Department of Environmental Protection (DEP), Chapter 62-604, the Engineer of record will be responsible for observation of construction of the Sanitary Sewer System. The Engineer shall be notified at commencement and completion of construction. To assure compliance with plans and specifications said Engineer will report to DEP upon completion of construction before the system can be placed in service. The Contractor shall coordinate all tests with the utility company and the Engineer. All lines, fittings and manholes shall be clean and dry before conducting tests. Tests and subsequent corrections shall be at the expense of the Contractor. 8.3 GRAVITY SEWERS: Leakage tests by exfiltration and/or infiltration will be made on all pipe. The Engineer shall have the option determining which test shall be employed. Generally, if the groundwater table is below the bottom of the pipe, an exfiltration test shall be used. Duration of test shall be not less than two (2) hours. Visible leaks encountered shall be corrected regardless of leakage test results. Leakage as measured by either the infiltration or exfiltration test shall not exceed 0.157 gallons per inch diameter per 100 feet of pipe per hour. When leakage exceeds the maximum amount specified, satisfactory correction shall be made and retesting accomplished. Deflection testing shall be done on all flexible pipe at the direction of the Engineer. Testing shall be done using a mandrel having a diameter equal to 95 percent of the inside diameter of the pipe. When a deflection device is used in lieu of the mandrel, such device shall be approved by the Engineer prior to use. No pipe deflection shall exceed 5 percent. 8.4 FORCE MAINS: The Contractor shall conduct hydrostatic pressure and leakage tests as follows: Apply 100 psi or 150% of the working pressure, whichever is greater, to the test line. Duration of the pressure test shall be at least two (2) hours. After 1/2 hour, check pressure, if pressure has dropped, inspect for leaks and correct as required. Repeat tests until there are no leaks or pressure loss. Pressure must hold for two hours. Note: The Contractor shall notify the Utility Company and the Engineer at least 24 hours prior to conducting pressure and leakage tests. Force mains shall have thrust blocks designed for 100 psi test pressure. Force mains shall be colored other than white to distinguish from water lines. Force mains in the right-of-way shall have 30 inches (minimum) cover over the crown. All sanitary sewer force mains will be marked with No. 14 copper insulated tracer wire to enable location with a Ferrous Metal Detector. The tracer wire will be placed 12 inches above and throughout the length of all such pipes. 8.5 MANHOLES: Shape: All manholes will be eccentric or as specified on the drawings. Setting Manhole Castings: The frame of the casting shall be set in a full mortar bed composed of one part Portland Cement to two parts of fine aggregate. Concrete: The minimum compressive strength required at twenty-eight days is 4000 lbs. per sq. inch. The minimum amount of water shall be used to produce a workable mix and shall not exceed six (6) U.S. Gallons per sack of cement. Concrete shall conform to ASTM C-94. Pre-cast Reinforced Concrete Manhole Sections: Pre-cast reinforced concrete manhole sections shall conform to ASTM C-478. All joints for pre-cast sections shall be approved by the Engineer. Castings: Cast iron frames and covers shall conform to the drawings in all essentials of design. All castings shall be made of clean, even grain, tough gray cast iron. The quality of iron in the castings shall conform to the current ASTM Specification A-48 for Class 20 Gray Iron Castings. The weight of castings shall be as shown in the plans. Castings shall be smooth, true to pattern, and free from projections, sand holes, or defects. A raised word "SEWER" shall be cast on the upper non-skid surface of all manhole covers. The portio of the frame and cover which forms the cover seat shall be machined so that no rocking of the cover is possible. The castings shall be coated with coal tar pitch varnish. On roadways the frame and cover shall be set flush with and in the plane of the surface. In other locations they shall be set to grades determined by the Engineer. A shop drawing of the manhole frame and cover must be approved by the Engineer for all covers and frames furnished on the project. Water-Proofing: Both concrete and pre-cast sections below grade shall be painted on the outside with either two coats of bitumastic paint or a heavy layer of bitasified asphalt to water-proof completely. Manholes shall be inspected for water tightness prior to being placed in service. All incoming and outgoing sewer lines shall be plugged and the manhole filled with water to a level to create a minimum positive head of two feet or above the highest section joint. If the water level drop exceeds 1/8" per vertical foot of manhole depth in 5 minutes, the manhole shall have failed the test. 8.6 GENERAL: Grout all riser joints and entry pipes. Provide neat cement seals for pre-cast units. Minimum radius allowed is 20 inches. Invert grouting shall be uniform and smooth-sloped to center line of pipe. Note: Roof drains, foundation drains and all other clean water connections to the sanitary sewer system are prohibited. 9 SPECIFICATION: STORM SEWER SYSTEM The Contractor shall provide and install all storm sewer material shown on the drawings and in this specification. In addition, he shall obtain all permits and conduct all tests required by local, state and federal authorities and as specified. 9.1 MATERIALS: Corrugated Polyethylene Pipe: Shall comply with section 948 of the latest edition "Florida Department of Transportation Specifications for Road and Bridge Construction" unless modified herein. Pipes 12 inches to 24 inches in diameter shall comply with ASTM F-405 and ASTM F-667. Joints shall be by means of dimpled band. If used outside of dry wells, joints shall be wrapped in filtercloth 2 feet in width and with 2 feet of overlap on the diameter. This pipe, in the perforated form, shall be used inside dry wells. It may be used outside dry wells only when used with a filter sock. Perforations shall be 1/4 inch diameter and spaced 10 inches on center in the valley of the corrugations. Polyvinyl-Chloride Pipe: Shall comply with section 948 of the latest edition "Florida Department of Transportation Specifications for Road and Bridge Construction" unless modified herein. Polyvinyl-Chloride Pipe shall meet the requirements of ASTM D 3034, SDR-35, or ASTM F 949, profile wall without perforations. Polyvinyl-Chloride Pipe for use as underdrain shall conform to the requirements of ASTM F 758 or ASTM F 949. Also, PVC underdrain manufactured from PVC pipe meeting ASTM D 3033 or ASTM D 3034, perforated in accordance with the perforation requirements given in AASHTO M 36, or AASHTO M 196 will be permitted. Reinforced Concrete Pipe: Shall comply with requirements of ASTM C-76, Class III, unless otherwise indicated on the Drawings, and shall be installed with rubber gasketed joints complying with ASTM C-443. Install rubber gaskets in strict accordance with pipe manufacturer's recommendations. Manholes: Precast reinforced concrete manhole sections shall conform to ASTM Specification C-478. Construct manholes of precast concrete sections as required by Drawings to size, shape, and depth indicated, but never less than 4'-0" inside diameter. All joints for precast sections shall be approved by the engineer. Inlets and Catch Basins: Precast reinforced concrete Inlets and Catch Basin sections shall conform to ASTM C-478. Construct Inlets and Catch Basins of precast concrete construction as required by drawings to size, shape and depth indicated. Main and Lateral Pipes: Neatly cut off main and lateral pipes flush with inside of manhole or inlet where they enter structure walls. Dress all irregularities and rough edges with non-shrinking group (inside and outside). Where pipes enter or exit manholes, a "Kor-N-Seal" molded neoprene boot with stainless steel internal and external bands as manufactured by the National Pollution Control Systems, Inc., Nashua, New Hampshire, or a polyurethane joint with a short transition joint as manufactured by Moorform Corporation, Centraill, Illinois, or an approved equal (or superior) connection shall be provided. Cast Iron Frames, Covers, and Grates: After completion of manhole inlet, set cast iron frame in full mortar bed after adjusting to required elevation. Cast iron frames and covers shall conform to the drawings in all essentials of design. All castings shall be made of clean, even grain, tough gray cast iron The quality of iron in the castings shall conform to the current ASTM Specification A-48 for Class 20 Gray Iron Castings. The weight of castings shall be as shown in the plans. Castings shall be smooth, true to pattern, and free from projections, sand holes, or defects. A raised word "STORM SEWER" shall be cast on the upper non-skid surface of all manhole covers. The portion of the frame and cover which forms the cover seat shall be machined so that no rocking of the cover is possible. The castings shall be coated with coal tar pitch varnish. On roadways the frame and cover shall be set flush with and in the plane of the surface. In other locations they shall be set to grades determined by the engineer. The frame and cover shall be heavy duty traffic bearing. Plastic Filter Fabric: Plastic Filter Fabric shall be the non-woven type and shall comply with sections 514 and 985 of the latest edition "Florida Department of Transportation Specifications for Road and Bridge Construction" unless modified herein. Concrete: Concrete shall comply with Section 345 of the latest edition "Florida Department of Transportation Specifications for Road and Bridge Construction" unless modified herein. Minimum compressive strength at 28 days shall be 4,000 psi. 9.2 DETENTION AREAS AND GRASSED SWALES: Swales must be landscaped with seeding, sodding, or sprigging, which does not inhibit the infiltration rate of the soil. Engineer requires 48 hours notice prior to landscaping of infiltration areas to make appropriate inspections. The system will require periodic maintenance for continued proper operation. This will include, as a minimum: A) removal of silt debris from surface infiltration areas and catch basins, and B) maintenance of vegetative cover in surface infiltration areas. 9.3 STORMWATER DRYWELLS: Drywells shall be constructed to the dimensions as detailed in the plans. The washed granular material shall have of a void ratio of not less than 0.4 and the gradation shall conform to section 901 of the latest edition "Florida Department of Transportation Specifications for Road and Bridge Construction". The dry well shall be completely wrapped in woven (as opposed to spun) filter cloth with a minimum 2 feet of overlap at field joints. The dry well shall contain perforated pipes as detailed in the plans. 9.4 INSTALLATION: The Contractor shall comply with all local, state and federal regulations. The Contractor shall provide proper facilities for handling and laying pipe and accessories. Trenches shall be properly prepared; pipe shall be supported over its full length and bell holes hand dug as required. No pipe will be laid in unsuitable weather or in water. The Contractor will verify all field dimensions and report all discrepancies (including field stake-out) prior to commencing work. The contractor shall notify the Engineer at least 24 hours prior to installing any portion of the storm sewer system. He shall also stake all service connections and provide as-built dimensions to the Engineer. Manholes, cleanouts and the like shall be located, built and sized as shown on these drawings. Connections with existing storm sewer systems shall be coordinated by the Contractor with the Utility Authority. Adequate traffic control shall be provided. A minimum separation of 10 ft. horizontal measured outside to outside and 18 inches vertical is required between storm sewer lines and all water lines. When trench excavation depth exceeds five feet, the Contractor shall provide trench protection (shields, sloping, shoring, etc.) and shall comply with OSHA Standard 29 CFR, Section 1926.650 Subpart P. In accordance with rules of the Florida Department of Environmental Protection (DEP), Chapter 62-25, the Engineer of record will be responsible for observation of construction of the Storm Sewer System. The Engineer shall be notified at commencement and completion of construction. To assure compliance with plans and specifications, said Engineer will report to DEP upon completion of construction before the system can be placed in service. 9.5 TESTS: The Contractor shall coordinate all Tests and Inspections with the Utility Authority and the Engineer. All lines, fittings and manholes shall be clean and dry before the Inspector is summoned. Tests and subsequent corrections shall be at the expense of the Contractor. Non-Perforated Storm Sewers: Leakage tests by exfiltration and/or infiltration will be made on all pipe as deemed by the Engineer. The Engineer shall have the option determining which test shall be employed. Generally, if the groundwater table is below the bottom of the pipe, an exfiltration test shall be used. Duration of test shall be not less than two (2) hours. Visible leaks encountered shall be corrected regardless of leakage test results. Leakage as measured by either the infiltration or exfiltration test shall not exceed 0.2 gallons per inch diameter per 100 feet of pipe per hour. When leakage exceeds the maximum amount specified, satisfactory correction shall be made and retesting accomplished. Deflection testing shall be done on all flexible pipe at the direction of the Engineer. Testing shall be done using a mandrel having a diameter equal to 95 percent of the inside diameter of the pipe. When a deflection device is used in lieu of the mandrel, such device shall be approved by the Engineer prior to use. No pipe deflection shall exceed 5 percent. 9.6 EROSION PROTECTION: New and existing drainage structures shall be protected from soil erosion sedimentation by placing baled hay around structures. Stacked baled hay and silt fence barriers shall be installed downhill from any earthwork activity, and in all areas subject to soil erosion, prior to start of construction. Soil erosion sedimentation shall be controlled during all phases of construction. ALL SOIL EROSION SEDIMENTATION SHALL BE RETAINED ON SITE.
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FL REGISTRATION NO. 58073

BY	**								
DESCRIPTION									
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DATE	**								
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CITY OF DESTIN

CITY OF DESTIN PICKLEBALL COURTS
DESTIN, FLORIDA

SPECIFICATIONS II

NOT VALID UNLESS BEARING ENGINEER'S ORIGINAL SIGNATURE

JOB: 23-58

DATE: 10-2023

DESIGNED: MSJ

DRAWN: MPF

BAR IS ONE INCH ON ORIGINAL
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ADJUST SCALES ACCORDINGLY

DRAWING NUMBER
07 OF 07

SHEET NUMBER
C07

CITY OF DESTIN



AGENDA ITEM

COUNCIL MEETING DATE: March 18, 2024
TYPE OF AGENDA ITEM: Special Presentation
AGENDA OUTLINE NUMBER: 4.C.

TO: City Council

THRU: Louis Zunguze, Interim City Manager
Kimberly Kopp, City Attorney

FROM: Krystal Strickland, Finance Director

DATE: March 13, 2024

SUBJECT: FY 2023 Annual Audit and Financial Statements

I. BACKGROUND: An annual audit of the City's financial operations is required in order to maintain legal reporting compliance for various State and Federal agencies and to comply with certain bond covenants within the City's debt instruments.

II. DISCUSSION: Mr. Wade Sansbury, CPA, Partner, will present the independent auditor's report on behalf of Mauldin & Jenkins, CPAs for the fiscal year ending September 30, 2023.

In addition to the regular audit, Mauldin & Jenkins also completed a Federal Single-Audit, and examined the City's two Community Redevelopment Agencies (CRAs) in accordance with Florida Statute Section 163.387(6) and (7).

- A. Link to Strategic Goals / Objectives:** Goal #1: Financially sound city providing service excellence.
- B. Effect on Budget (EOB):** The presentation has no effect on the budget.
- C. Level of Service (LOS):**
- D. Legislative Sponsor:**

III. CONCLUSION: The annual independent audit provides for legal compliance and confirms the sound financial condition of the City. The auditor's unmodified opinion confirms that the financial statements are fairly presented in all material respects.

IV. RECOMMENDED MOTION: I move to accept the 2023 Annual Audit and Financial Statements for the City of Destin and for the City of Destin Community Redevelopment Agency.

Attachments:

1. 2023 Auditor's Discussion & Analysis
- City of Destin
2. 2023 Financial Statements - Destin
3. 2023 Financial Statements - Destin
CRA



Going Further.

City of Destin, Florida

Auditor's Discussion and Analysis **Financial and Compliance Audit Summary** **September 30, 2023**

Presented by:
Wade Sansbury, CPA
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wsansbury@mjcpa.com

mjcpa.com



CITY OF DESTIN, FLORIDA
AUDITOR'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2023

PURPOSE OF ANNUAL AUDITOR'S DISCUSSION AND ANALYSIS

- ◆ Engagement Team and Firm Information.
- ◆ Overview of:
 - Audit Opinion;
 - Financial Statements;
 - Compliance Report.
- ◆ Required Communications under *Government Auditing Standards*.
- ◆ Accounting Recommendations and Related Matters.
- ◆ Answer Questions.

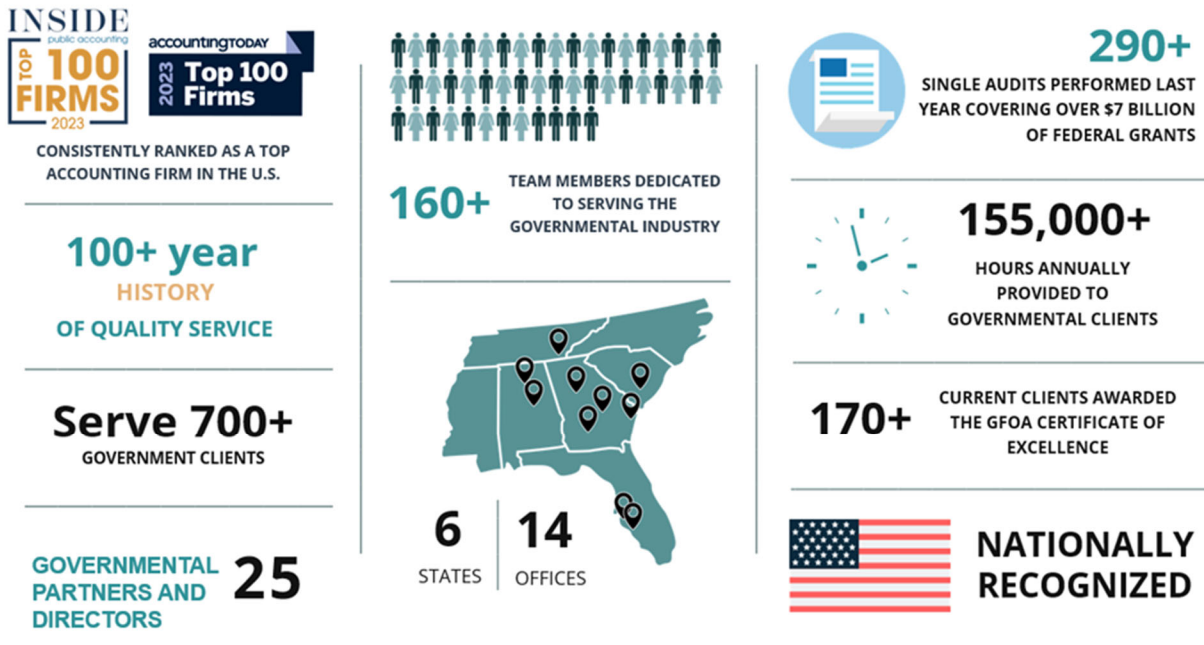


VISION

To be a trusted advisor, earning trust and building respect through our consistent commitment to sustainable excellence, leadership, and integrity.

CITY OF DESTIN, FLORIDA
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MAULDIN & JENKINS – BY THE NUMBERS



Engagement Team Leaders for the City Include:

- Wade Sansbury, Engagement Lead Partner: 28 years of experience, 100% governmental
- Chris Baum, Engagement Senior: 10 years of experience, 100% governmental
- Trey Scott, Quality Assurance Engagement Partner: 15 years of experience, 100% governmental

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MAULDIN & JENKINS – ADDITIONAL INFORMATION

Other Industries and Services by Mauldin & Jenkins:

Each of Mauldin & Jenkins' offices provides a wide variety of services to a broad range of clientele. We have partners and managers who are responsible for specialized practice areas of auditing and accounting, taxes and management advisory services. Their purpose, as leaders in the particular practice area, is to establish policies with respect to technical matters in these specific areas and ensure that the quality of the Firm's practice is maintained.

Industries Served: Over the years, our partners have developed expertise in certain industries representative of a cross section of the Florida economy, including:

- Governmental Entities (state entities, cities, counties, school systems, business type operations, libraries, and other special purpose entities)
- SEC Registrants
- Wholesale Distribution
- Agri-Businesses
- Manufacturing
- Professional Services
- Employee Benefit Plans
- Financial Institutions (community banks, savings and loans, thrifts, credit unions, mortgage companies, and finance companies)
- Non-Profit Organizations
- Retail Businesses
- Long-Term Healthcare
- Construction and Development
- Individuals, Estates and Trusts
- Real Estate Management

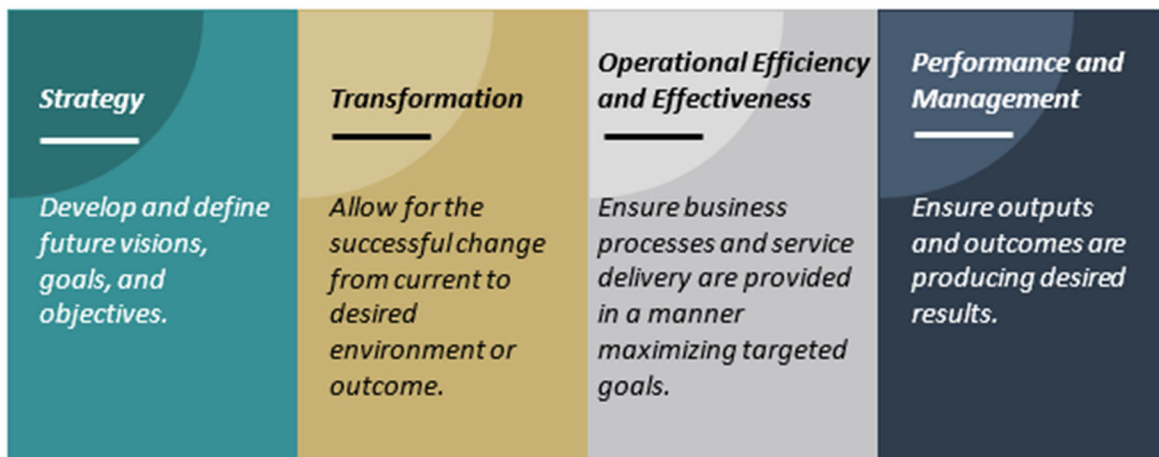
Services Provided: This diversity of practice enables our personnel to experience a wide variety of business, accounting and tax situations. We provide the traditional and non-traditional services such as:

- Financial Audit/Review/Compilation
- Compliance Audits and Single Audits
- Agreed-Upon Procedures
- Forensic Audits
- Bond Issuance Services
- Performance Audits
- State Sales Tax Matters
- International Tax Matters
- Business and Strategic Planning
- Profitability Consulting
- Budgeting
- Buy-Sell Agreements and Business Valuation Issues
- Income Tax Planning and Preparation
- Multi-State Income Tax Issues
- Information Systems Consulting
- Cost Accounting Analysis
- Healthcare Cost Reimbursement
- Outsourced Billing Services
- Fixed Asset Inventories
- Succession and Exit Strategy Consulting
- Estate Planning
- Management Information Systems
- Employee Benefit Plan Administration
- Merger/Acquisition and Expansion Financing

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GOVERNMENTAL ADVISORY SERVICES

Beyond traditional audit and accounting services and IT services, we provide advisory services that are wide-ranging in nature. Our experienced government advisory team helps governments, governmental agencies and special purpose governmental organizations balance fiscal responsibility with the latest business strategies to achieve targeted and overarching objectives. Our advisory services can be summarized via the following:



David Roberts
Partner, Governmental Advisory Services

David Roberts has more than 22 years of experience as a consultant and trusted advisor providing operational/organizational assessments and similar transformational projects for federal, state, and local governments across the country. David's experience includes leading numerous enterprise-wide/departmental/functional assessments and transformations over his career measuring the efficiency and effectiveness of organizational structures and culture, performance management, technology systems and strategies, staffing models, service delivery models, and customer satisfaction.

David helps his clients turn visions and goals into reality. He has helped multiple clients win national government industry awards for innovation, transformation, and cost savings.

David leads our Government Advisory practice, where he focuses on helping governments and individual agencies fulfill and exceed their financial, operational, and regulatory obligations to the public. David has completed hundreds of projects over his career. On the following page are sample management consulting projects demonstrating David's depth and breadth completed within the past 12 months.

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Operational and Performance Assessment – Walton County, Georgia

David led a multi-department Operational and Performance Assessment for Walton County. The scope included assessing organizational structure, operational efficiency, staffing levels and resource utilization, comparison to leading practices, and observations and recommendations to assist the County in achieving the desired future state. The final report included numerous observations with associated recommendations and a detailed Roadmap/Implementation Plan.

Outsourcing Feasibility Study – City of Rocky Mount, North Carolina

David led a feasibility study for the City of Rocky Mount to assess its current service delivery model for providing parks maintenance and landscaping services. City operations used of a hybrid model of both internal resources and third-party contractors to provide parks maintenance and landscaping. The project evaluated the pros and cons (both financial and non-financial) of: (1) maintaining the hybrid model, (2) performing all services in-house, and (3) performing all services externally.

Finance Functional Assessment – Richland County Library, South Carolina

David led a functional assessment of the Library's finance department. The project consisted of understanding the current state – current service provision, performance, workflow, business processes, internal controls, organizational structure, reporting, and communications. The current state was compared to leading practices and gaps were identified. An implementation roadmap was created that aligned recommendations to leaderships' vision to help the organization achieve its desired future state.

Grant Compliance Audit – Decide DeKalb (Georgia)

David led a Grant Compliance Assessment of various development projects for Decide DeKalb. The project reviewed the established grant and contractual criteria to be maintained by developers and compared with tenant information related to low income occupants. The project identified areas of compliance, non-compliance, and recommendations for remediation.

Forensic Audit – Confidential City

David led a forensic investigation into questionable cash management activity for a City Parks and Recreation department. The project reviewed bank account activity, cancelled checks, cash withdrawals, and purchased item documentation as well as conducted interviews with account cardholders to determine the collection, handling, and use of several hundred thousand dollars collected in fees, sponsorships, and contributions made to the City. Numerous observations and corresponding recommendations were developed to enhance internal controls, written policies, and procedures to correct conflicts of interest, mishandling of funds, and misappropriation of funds.

CITY OF DESTIN, FLORIDA
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INDEPENDENT AUDITOR'S REPORT

The independent auditor's report has specific significance to readers of the financial report.

Opinion

We have issued an unmodified audit report, which is the highest form of assurance we can render with regard to the fairness of financial information on which we are opining. The financial statements are considered to present fairly the financial position and results of operations as of, and for the year ended September 30, 2023.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. We are required to be independent of the City and to meet our ethical responsibilities.

Management's Responsibility for the Financial Statements

The financial statements are the responsibility of management. Management is also required to evaluate the City's ability to continue as a going concern.

Auditor's Responsibility

Our responsibility, as external auditors, is to express opinions on these financial statements based on our audit. We planned and performed our audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

Other Reporting

Government Auditing Standards require auditors to issue a report on our consideration of internal control over financial reporting and on our tests of compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. We have issued such a report and reference to this report is included in the independent auditor's report.

CITY OF DESTIN, FLORIDA
AUDITOR'S DISCUSSION AND ANALYSIS
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REVIEW OF ANNUAL COMPREHENSIVE FINANCIAL REPORT

General Information About the ACFR

An Annual Comprehensive Financial Report (ACFR) goes beyond the normal financial reporting required by accounting principles generally accepted in the United States. An ACFR includes, at a minimum, the following elements/sections:

- **Introductory Section:** General information on the City's structure and the services it provides.
 - Letter of Transmittal
 - Organizational Chart
 - Directory of Officials
 - Certificate of Achievement for Excellence in Financial Reporting
- **Financial Section:** Basic financial statements, footnotes and required supplementary information along with the auditor's report.
 - Independent Auditor's Report
 - Management Discussion and Analysis (MD&A)
 - Financial Statements and Footnotes
- **Statistical Section:** Broad range of financial, demographic information useful in assessing the City's economic condition, and this information covers multiple years.
 - Financial Trends Information
 - Revenue Capacity Information
 - Debt Capacity Information
 - Operating Information

In the end, an ACFR goes far beyond the basic requirements of annual financial reporting, and the City should be commended for going beyond the minimum and providing such a report.

Recognition and Award

Once completed, the fiscal year 2022 ACFR was submitted to the Government Finance Officers Association (GFOA) for determination if the report would merit the GFOA's Certificate of Achievement for Excellence in Financial Reporting. We are happy to inform everyone that the GFOA did indeed review the ACFR and awarded the City with the sought after Certificate.

The GFOA Certificate has been made a part of the City's 2023 fiscal year ACFR and is included in the Introductory Section.

CITY OF DESTIN, FLORIDA
AUDITOR'S DISCUSSION AND ANALYSIS
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OVERVIEW OF FINANCIAL STATEMENTS

The financial statements as presented to you today include the basic financial statements as well as Management's Discussion and Analysis as prepared by City management.

The City's basic financial statements include three components: (1) government-wide financial statements; (2) fund financial statements; and (3) notes to the financial statements.

The **government-wide financial statements** provide a broad overview of all of the City's activities. The *Statement of Net Position* presents information on all assets and liabilities of the City, with the difference between the two reported as net position. The *Statement of Activities* presents information showing how the City's net position changed during the most recent fiscal year. Revenues are categorized as program revenues or general revenues. Expenses are categorized by function.

The **fund financial statements** more closely resemble the financial statements as presented prior to the adoption of GASB Statement No. 34. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

COMPLIANCE REPORTS

The financial report package contains four compliance reports:

Yellow Book Report: The first compliance report is a report on our tests of the City's internal controls and compliance with laws, regulations, etc. The tests of internal controls were those we determined to be required as a basis for designing our financial statement auditing procedures. Such tests also considered the City's compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. In accordance with the respective standards, the report is not intended to provide an opinion, but to provide a form of negative assurance as to the City's internal controls and compliance with applicable rules and regulations.

Single Audit Report: The second compliance report is a report on our tests of the City's internal controls and compliance with laws, regulations, etc. relative to certain federal and state grant programs and the respective expenditures. Our tests were performed on the City's major programs (as defined by the relevant federal and state guidelines) and were not applied to each and every grant expended by the City. In accordance with the respective standards, we did provide an unmodified (or positive) opinion on the City's compliance based on our audit. However, we were not required to provide an opinion on the relevant internal controls, but to provide a form of negative assurance on such controls.

CITY OF DESTIN, FLORIDA
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Independent Auditor's Management Letter: The Independent Auditor's Management Letter is required to document the City's Compliance with the requirements of the Rules of the Auditor General. In accordance with the respective rules, the report is not intended to provide an opinion, but to provide a form of negative assurance as to the City's internal controls and compliance with applicable rules and regulations.

Independent Accountant's Report: The Independent Accountant's Report is required to provide the results of our examination procedures performed concerning the City's investment of public funds in accordance with Florida Statutes.

REQUIRED COMMUNICATIONS

**The Auditor's Responsibility Under Government Auditing Standards
and Auditing Standards Generally Accepted in the United States of America**

Our audit of the financial statements of the City of Destin City (the "City") for the fiscal year ended September 30, 2023, was conducted in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether caused by error, fraudulent financial reporting or misappropriation of assets. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. Accordingly, the audit was designed to obtain reasonable, rather than absolute, assurance about the financial statements. We believe our audit accomplishes that objective.

In accordance with *Government Auditing Standards*, we have also performed tests of controls and compliance with laws and regulations that contribute to the evidence supporting our opinion on the financial statements. However, they do not provide a basis for opining on the City's internal control or compliance with laws and regulations.

Accounting Policies

Management has the ultimate responsibility for the appropriateness of the accounting policies used by the City. There are new accounting standards which will be required to be implemented in the coming years. These are discussed later in this document.

In considering the qualitative aspects of the City's accounting policies, we did not identify any significant or unusual transactions or significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus. The City's policies relative to the timing of recording of transactions are consistent with GAAP and typical government organizations.

CITY OF DESTIN, FLORIDA
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Management Judgments and Accounting Estimates

Accounting estimates are an integral part of the preparation of financial statements and are based upon management's current judgment. The process used by management encompasses their knowledge and experience about past and current events and certain assumptions about future events. Management has informed us they used all the relevant facts available to them at the time to make the best judgments about accounting estimates and we considered this information in the scope of our audit. We considered this information and the qualitative aspects of management's calculations in evaluating the City's significant accounting policies. Estimates significant to the financial statements include such items as the estimated lives of depreciable assets, the estimated allowance for uncollectible accounts, and the assumptions used in the actuarial valuations for the pension and other post-employment benefit plans.

Financial Statement Disclosures

The footnote disclosures to the financial statements are also an integral part of the financial statements. The process used by management to accumulate the information included in the disclosures was the same process used in accumulating the financial statements, and the accounting policies described above are included in those disclosures. The overall neutrality, consistency and clarity of the disclosures was considered as part our audit and in forming our opinion on the financial statements.

Significant Difficulties Encountered in Performing the Audit

We encountered no difficulties in dealing with management relating to the performance of the audit.

Audit Adjustments

During our audit of the City's basic financial statements as of and for the year ended September 30, 2023, there were no auditor adjustments proposed to the funds of the City. There were no passed adjustments or uncorrected misstatements.

Uncorrected Misstatements

We had no passed adjustments.

Disagreements with Management

We encountered no disagreements with management over the application of significant accounting principles, the basis for management's judgments on significant matters, the scope of the audit or significant disclosures to be included in the financial statements.

CITY OF DESTIN, FLORIDA
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SEPTEMBER 30, 2023

Representation from Management

We requested written representations from management relating to the accuracy of information included in the financial statements and the completeness and accuracy of various information requested by us, during the audit. Management provided those written representations without delay and in an organized manner.

Management's Consultations with Other Accountants

We are not aware of any consultations management had with other accountants about accounting or auditing matters.

Significant Issues Discussed with Management

There were no significant issues discussed with management related to business conditions, plans or strategies that may have affected the risk of material misstatement of the financial statements. We are not aware of any consultations management had with us or other accountants about accounting or auditing matters. No major issues were discussed with management prior to our retention to perform the aforementioned audit.

Independence

We are independent of the City, and all related organizations, in accordance with auditing standards promulgated by the American Institute of Public Accountants and *Government Auditing Standards*, issued by the Comptroller General of the United States.

Other Information in Documents Containing Audited Financial Statements

We are not aware of any other documents that contain the audited basic financial statements. If such documents were to be published, we would have a responsibility to determine that such financial information was not materially inconsistent with the audited statements of the City.

CITY OF DESTIN, FLORIDA
AUDITOR'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2023

ACCOUNTING RELATED MATTERS

Other Matters for Communication to the City Commission and Management

During our audit of the financial statements as of and for the year ended September 30, 2023, we noted other matters which we wish to communicate to you in an effort to keep the City abreast of accounting matters that could present challenges in financial reporting in future periods.

**New Governmental Accounting Standards
Board (GASB) Standards**



As has been the case for the past ten years, GASB has issued several other new pronouncements which will be effective in future years. The following is a brief summary of the new standards:

- a) **Statement No. 99, *Omnibus 2022*** was issued in April 2022 and contains multiple different effective dates for the guidance based on the differing topics. The practice issues addressed by this statement are as follows:
- Classification and reporting of derivative instruments within the scope of Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, that do not meet the definition of either an investment derivative instrument or a hedging derivative instrument.
 - Clarification of provisions in Statement No. 87, *Leases*, as amended, related to the determination of the lease term, classification of a lease as a short-term lease, recognition and measurement of a lease liability and a lease asset, and identification of lease incentives.
 - Clarification of provisions in Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, related to the determination of the public-private and public-public partnership (PPP) term and recognition and measurement of installment payments and the transfer of the underlying PPP asset.
 - Clarification of provisions in Statement No. 96, *Subscription-Based Information Technology Arrangements*, related to the subscription-based information technology arrangement (SBITA) term, classification of a SBITA as a short-term SBITA, and recognition and measurement of a subscription liability.
 - Extension of the period during which the London Interbank Offered Rate (LIBOR) is considered an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap that hedges the interest rate risk of taxable debt.
 - Accounting for the distribution of benefits as part of the Supplemental Nutrition Assistance Program (SNAP).

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- Disclosures related to nonmonetary transactions.
- Pledges of future revenues when resources are not received by the pledging government.
- Clarification of provisions in Statement No. 34, *Basic Financial Statements — and Management's Discussion and Analysis — for State and Local Governments*, as amended, related to the focus of the government-wide financial statements.
- Terminology updates related to certain provisions of Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*.
- Terminology used in Statement 53 to refer to resource flows statements.

The requirements of Statement 99 are effective as follows:

- The requirements related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 are effective upon issuance.
- The requirements related to leases, PPPs, and SBITAs are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter.
- The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

- b) Statement No. 100, *Accounting Changes and Error Corrections*** was issued in June 2022 and is effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

The primary objective of this statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

This statement defines *accounting changes* as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. As part of those descriptions, for: (1) certain changes in accounting principles, and (2) certain changes in accounting estimates that result from a change in measurement methodology, a new principle or methodology should be justified on the basis that it is preferable to the principle or methodology used before the change. That preferability should be based on the qualitative characteristics of financial reporting—understandability, reliability, relevance, timeliness, consistency, and comparability. This statement also addresses corrections of errors in previously issued financial statements.

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This statement prescribes the accounting and financial reporting for: (1) each type of accounting change, and (2) error corrections. This statement requires that: (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. The requirements of this statement for changes in accounting principles apply to the implementation of a new pronouncement in absence of specific transition provisions in the new pronouncement. This statement also requires that the aggregate amount of adjustments to and restatements of beginning net position, fund balance, or fund net position, as applicable, be displayed by reporting unit in the financial statements.

This statement requires disclosure in notes to financial statements of descriptive information about accounting changes and error corrections, such as their nature. In addition, information about the quantitative effects on beginning balances of each accounting change and error correction should be disclosed by reporting unit in a tabular format to reconcile beginning balances as previously reported to beginning balances as restated.

Furthermore, this statement addresses how information that is affected by a change in accounting principle or error correction should be presented in required supplementary information (RSI) and supplementary information (SI). For periods that are earlier than those included in the basic financial statements, information presented in RSI or SI should be restated for error corrections, if practicable, but not for changes in accounting principles.

- c) **Statement No. 101, *Compensated Absences*** was issued in June 2022 and is effective for fiscal years beginning after December 15, 2023 and all reporting periods thereafter.

This statement requires that liabilities for compensated absences be recognized for: (1) leave that has not been used, and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if: (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time-off or otherwise paid in cash or settled through noncash means. Leave is attributable to services already rendered when an employee has performed the services required to earn the leave. Leave that accumulates is carried forward from the reporting period in which it is earned to a future reporting period during which it may be used for time-off or otherwise paid or settled. In estimating the leave that is more likely than not to be used or otherwise paid or settled, a government should consider relevant factors such as employment policies related to compensated absences and historical information about the use or payment of compensated absences. However, leave that is more likely than not to be settled through

CITY OF DESTIN, FLORIDA
AUDITOR'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2023

conversion to defined benefit post-employment benefits should not be included in a liability for compensated absences.

This statement requires that a liability for certain types of compensated absences—including parental leave, military leave, and jury duty leave—not be recognized until the leave commences. This statement also requires that a liability for specific types of compensated absences not be recognized until the leave is used.

This statement also establishes guidance for measuring a liability for leave that has not been used, generally using an employee's pay rate as of the date of the financial statements. A liability for leave that has been used but not yet paid or settled should be measured at the amount of the cash payment or noncash settlement to be made. Certain salary-related payments that are directly and incrementally associated with payments for leave also should be included in the measurement of the liabilities.

- d) **Statement No. 102, Certain Risk Disclosures** was issued in December 2023 and is effective for fiscal years beginning after June 15, 2024 and all reporting periods thereafter.

State and local governments face a variety of risks that could negatively affect the level of service they provide or their ability to meet obligations as they come due. Although governments are required to disclose information about their exposure to some of those risks, essential information about other risks that are prevalent among state and local governments is not routinely disclosed because it is not explicitly required. The objective of this statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints.

This statement defines a concentration as a lack of diversity related to an aspect of a significant inflow of resources or outflow of resources. A constraint is a limitation imposed on a government by an external party or by formal action of the government's highest level of decision-making authority. Concentrations and constraints may limit a government's ability to acquire resources or control spending.

This statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued.

CITY OF DESTIN, FLORIDA
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If a government determines that those criteria for disclosure have been met for a concentration or constraint, it should disclose information in notes to financial statements in sufficient detail to enable users of financial statements to understand the nature of the circumstances disclosed and the government's vulnerability to the risk of a substantial impact. The disclosure should include descriptions of the following:

- The concentration or constraint.
- Each event associated with the concentration or constraint that could cause a substantial impact if the event had occurred or had begun to occur prior to the issuance of the financial statements.
- Actions taken by the government prior to the issuance of the financial statements to mitigate the risk.

e) Other Pending or Current GASB Projects. As noted by the numerous pronouncements issued by GASB over the past decade, the GASB continues to research various projects of interest to governmental units. Subjects of note include:

- **Re-Examination of the Financial Reporting Model.** GASB has added this project to its technical agenda to make improvements to the existing financial reporting model (established via GASB 34). Improvements are meant to enhance the effectiveness of the model in providing information for decision-making and assessing a Commission's accountability. GASB anticipates issuance of a final standard in early 2024.
- **Revenue and Expense Recognition** is another long-term project where the GASB is working to develop a comprehensive application model for recognition of revenues and expenses from non-exchange, exchange, and exchange-like transactions. The final standard is expected in mid-2027.
- **Going Concern Uncertainties and Severe Financial Stress** is a major project where the goal is to address issues related to disclosures regarding going concern uncertainties and severe financial stress. The project will consider: (1) improvements to existing guidance for going concern considerations to address diversity in practice and clarify the circumstances under which disclosure is appropriate, (2) developing a definition of severe financial stress and criteria for identifying when governments should disclose their exposure to severe financial stress, and (3) what information about a commission's exposure to severe financial stress is necessary to disclose. This technical topic is being examined by the GASB due to a wide diversity in practice regarding required presentation on the face of the financial statements, disclosures, etc. An exposure draft on this topic is expected by mid-2025.

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COMPLIMENTARY CONTINUING EDUCATION
AND NEWSLETTERS FOR GOVERNMENTAL CLIENTS

Complimentary Continuing Education. We provide complimentary continuing education for all of our governmental clients. Annually, we pick a couple of significant topics tailored to be of interest to governmental entities. We provide these complimentary services typically in the summer months over a two-day period and typically see 40 to 50 people. We obtain the input and services of experienced outside speakers along with providing the instruction utilizing our in-house professionals. We hope the City staff and officials can participate in this opportunity, and that it will be beneficial to them. Examples of subjects addressed in the past include:

- Accounting for Debt Issuances
- Best Budgeting Practices, Policies and Processes
- Annual Comprehensive Financial Report Preparation
- Capital Asset Accounting Processes and Controls
- Collateralization of Deposits and Investments
- Evaluating Financial and Non-Financial Health of a Local Government
- GASB No. 60, Service Concession Arrangements (webcast)
- GASB No. 61, the Financial Reporting Entity (webcast)
- GASB No.'s 63 & 65, Deferred Inflows and Outflows (webcast)
- GASB No.'s 67 & 68, New Pension Stds. (presented several occasions)
- GASB Updates (ongoing and several sessions)
- Grant Accounting Processes and Controls
- Internal Controls Over Accounts Payable, Payroll and Cash Disbursements
- Internal Controls Over Receivables and the Revenue Cycle
- Internal Revenue Service (IRS) Issues, Primarily Payroll Matters
- Legal Considerations for Debt Issuances and Disclosure Requirements
- Policies and Procedures Manuals
- Segregation of Duties
- Single Audits for Auditees
- Uniform Grant Reporting Requirements and the New Single Audit

Governmental Newsletters. We produce newsletters tailored to meet the needs of governments. The newsletters have addressed a variety of subjects and are intended to be timely in their subject matter. The newsletters are authored by Mauldin & Jenkins partners and managers, and are not purchased from an outside agency. The newsletters are produced and delivered periodically (approximately six times per year), and are intended to keep you informed of current developments in the government finance environment.

Communication. In an effort to better communicate our complimentary continuing education plans and newsletters, please email Paige Vercoe at pvercoe@micpa.com and provide to her individual names, mailing addresses, email addresses, and phone numbers of anyone you wish to participate and be included in our database.

CITY OF DESTIN, FLORIDA
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CLOSING

If you have any questions regarding any comments, suggestions or recommendations set forth in this discussion, we will be pleased to discuss it with you at your convenience.

This information is intended solely for the use of the City's management, and others within the City's organization and is not intended to be and should not be used by anyone other than these specified parties. We appreciate the opportunity to serve the City of Destin, Florida and look forward to serving you in the future. Thank you.



CITY OF DESTIN, FL

**ANNUAL
COMPREHENSIVE
FINANCIAL REPORT
FISCAL YEAR ENDED
SEPTEMBER 30, 2023**

CITY OF DESTIN, FLORIDA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2023

PREPARED BY:
CITY OF DESTIN FINANCE DEPARTMENT

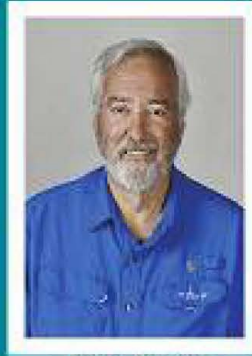
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DESTIN CITY COUNCIL



BOBBY WAGNER
MAYOR



DEWEY DESTIN
COUNCILMAN



JIM BAGBY
COUNCILMAN



TOREY GEILE
COUNCILMAN



TERESA HERBERT
COUNCILSWOMAN



JOHNNY KING
COUNCILMAN



KEVIN SCHMIDT
COUNCILMAN



JOHN STEPHENS
COUNCILMAN

CITY OF DESTIN, FLORIDA

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CITY OF DESTIN, FLORIDA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
SEPTEMBER 30, 2023

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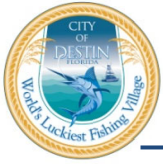
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INTRODUCTORY SECTION

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Office of the City Manager

4200 Indian Bayou Trail | Destin, FL 32541 | Phone: 850-837-4242 | Fax: 850-269-9890 | www.cityofdestin.com

March 5, 2024

To the Honorable Mayor, Members of the City Council, and Citizens of the City of Destin:

We are pleased to present to you the **Annual Comprehensive Financial Report (ACFR)** of the City of Destin, Florida (the “City”) for the fiscal year ended September 30, 2023. **Chapter 218.39, Florida Statutes** require that a complete set of financial statements be published within nine months of fiscal year-end and presented in conformance with **Generally Accepted Accounting Principles (GAAP)** and audited in accordance with generally accepted auditing standards by a firm of licensed Certified Public Accountants.

This report consists of management’s representations concerning the finances of the City of Destin. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City of Destin has established a comprehensive internal control framework that is designed both to protect the government’s assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of Destin’s financial statements in conformity with **GAAP**. Because the cost of internal controls should not outweigh their benefits, the City of Destin’s comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material aspects.

In compliance with the laws of the State of Florida, the City’s financial statements have been audited by **Mauldin and Jenkins, LLC, Certified Public Accountants**. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City of Destin for the fiscal year ended September 30, 2023, are free from material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Destin’s financial statements for the fiscal year ended September 30, 2023, are fairly presented in conformity with GAAP. The independent auditor’s report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the City of Destin was part of a broader, state mandated “Single Audit” designed to meet the special needs of state and federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to

report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. A federal Single Audit was not required for the fiscal year ended September 30, 2023. **GAAP** requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of **Management's Discussion and Analysis (MD&A)**. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City of Destin's **MD&A** can be found immediately following the report of the independent auditors.

Profile of the Government

The City of Destin incorporated and adopted the Council-Manager form of government in 1984. The City Council is composed of seven voting members with the Mayor casting tie-breaking votes only. The Mayor and Council, elected in November of even years by the City at-large, can serve up to two consecutive four-year terms. The City Council is the legislative body of the City Government. They consider and adopt ordinances and enact regulations for the maintenance of good government, the preservation of peace, welfare, health and safety and convenience of the citizens. The Council also reviews and adopts the City Budget, makes appropriations, levies taxes, authorizes bond issues, holds public hearings for citizen input, appoints committees and establishes municipal policies. Pursuant to City Charter, the City Manager is appointed by a super-majority vote of the City Council. The City Manager is the chief administrative officer of the City and serves directly at the pleasure of the City Council. The City Manager implements Council policies, directs and supervises the administration of all departments, programs, offices, and agencies of the City.

The City of Destin provides a range of services that include the construction and maintenance of highways, streets, sidewalks, stormwater and other infrastructure; and parks and leisure/cultural activities and events. The City also provides community planning and building code compliance services. Law enforcement is provided through a contractual arrangement with the Okaloosa Sheriff's Office. Water and wastewater utilities and fire protection and lifeguard services are provided by other governmental agencies working in close cooperation with City management. Tourism is the major field of employment within the City of Destin. The City of Destin includes a planning area of 7.53 square miles and is located in Okaloosa County approximately 52 miles east of Pensacola, Florida, and 38 miles west of Panama City Beach, Florida. The Gulf of Mexico on the south and Choctawhatchee Bay on the north form the City's natural boundaries. Destin is located on Florida's Emerald Coast, known for sugar-white beaches, crystal clear green water and warm, sunny days. Destin is home to approximately 14,494 full-time residents with an estimated peak seasonal population of approximately 100,000. One of the City's most significant on-going challenges is to provide infrastructure and services to accommodate the seasonal population.

Budgetary Control: The annual budget serves as the foundation for the City of Destin’s financial planning and control. The City Manager starts each new calendar year with a Visioning and Strategic Planning Session where department directors, City council members, and the citizens of Destin discuss their long-term vision for the City and strategically prioritize issues and projects. All departments of the City of Destin are required to submit requests for appropriation to the City Manager in the spring of each year. The City Manager evaluates these requests against the strategic planning session priorities and develops a proposed budget. The City Manager then presents this proposed budget to the council for review. The council is required to hold public hearings on the proposed budget and to adopt a final budget no later than September 30, the close of the City’s fiscal year. The appropriated budget is prepared by fund and department. Budgetary control (the level at which expenditures cannot legally exceed appropriated amount) is maintained by the City Manager at the fund level and may be amended as necessary during the fiscal year. Budget-to-actual comparisons are provided in this report for each individual government fund for which an appropriated annual budget has been adopted. For the General Fund, this comparison is presented on page 27 as part of the basic financial statements for the government funds. For governmental funds, other than the General Fund and major special revenue funds, with appropriated annual budgets, this comparison is presented in the governmental fund subsection of this report, which starts on page 28. The City of Destin has no proprietary funds and no business-like activities.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City of Destin operates.

Local Economy: In fiscal year 2023, the City continued to experience an increase in tourist-related business, hotel and short-term rental occupancy. Tourism is one of Destin’s largest industries, and Destin has made great strides to promote and market its commitment to serve as a community offering an outstanding quality of life to residents and visitors alike. The **Okaloosa County Tourist Development Council** reported that fiscal year 2023 bed tax collections and visitor estimates continue to be higher than pre-pandemic figures.

The City is centrally located in the panhandle of Northwest Florida. Destin is home to one of the largest and most elaborately equipped charter fishing fleets in the State of Florida. Known as the **"World's Luckiest Fishing Village,"** the Destin Harbor lies closer to the 100 Fathom curve than any other harbor on Florida’s west and north coast, providing speedy deep-water access. In addition to fishing, recreational opportunities include golf, tennis, and water sports, such as diving and snorkeling.

Besides tourism, Destin’s economic base was dependent on the real estate and construction industries in the past. Currently, the City is nearly “built-out” with very few vacant parcels available for development, and therefore residential and commercial construction is minimal

compared to the tourist-related economy. During fiscal year 2023, rising property values translated into higher ad valorem taxes. Ad valorem taxes are the City of Destin's largest single source of revenue. By City Charter the maximum rate of levy is limited to 2.0 mills, or \$2 per \$1,000 in property value. The rate for fiscal year 2023 was set at 1.615 mills for the seventh consecutive year.

Major Initiatives - Current and Future

Cross Town Connector: This is a thoroughfare that the City of Destin has identified at the **Cross Town Connector** project was recognized as one of Council's top priorities for fiscal year 2022. The City of Destin has worked towards establishing a secondary thoroughfare road for residents to get from the East side of town to the West side of town that would avoid the congestion of Highway 98. The **Florida Department of Transportation (FDOT)**s has awarded the City a grant to complete the purchase of property to construct the roadway, and in fiscal year 2022 three of nine needed parcels were purchased. Okaloosa County has projected funding in future budget years to contribute towards the construction phase of this project. Additional funding will also be needed. The City has purchased all properties required for rights-of-way and has relocated the residents affected by the project. An independent engineering firm completed the design. Construction will begin when sufficient funding is in place to complete the project.

Beach Acquisition: Initiation of the purchase of beachfront property continues to be one of City Council's top objectives in order to preserve public access to Destin's waterways and beaches. During the summer months, the City's two small beach parks are regularly well beyond capacity with beachgoers. The highest percentage of complaints from citizens and visitors are concerns about the lack of beach access and disputes between property owners, vendors, and visitors. This initiative will restore developed areas of the beach to their original natural beach and will provide additional public space for residents and visitors. City Council signed a revised **Interlocal Agreement** with the **Okaloosa County Tourism Development Department (TDD)** to continue beachfront park development of the properties purchased in fiscal year 2021 and to acquire an additional 320+ feet of beachfront properties in early fiscal year 2023. Administrative and financial assistance for these purchases is provided by the **Trust for Public Lands (TPL)**.

Undergrounding Utilities: Undergrounding utilities are essential to enhancing the resilience of Destin's infrastructure to maintain essential and business and continuity and to decrease recovery time in post-disaster scenarios. This is also a beautification initiative expected to increase property values and to enhance economic development opportunities. In fiscal year 2021, the City hired a Project Management company to manage our ambitious utility undergrounding project. The Project Management company has completed a report that groups sections of the City into phases that have similar cost. The Project Manager is coordinating closely with FDOT and local utility providers. In late 2023, the City executed a binding cost estimate and a conversion agreement with Florida Power and Light (FPL), formerly Gulf Power, a subsidiary of

Nextera Energy to convert overhead utilities to underground. The City anticipates hiring a contractor in the Spring of 2024 through the City's transparent purchasing processes.

Roadway and Pedestrian Improvements: The Transportation Element of the Comprehensive Plan guides the City's regulations regarding street improvements for both motor vehicle and pedestrian needs. The City's plan is aimed at enhancing an efficient and high-quality multi-modal transportation system that balances community circulation needs with regional travel demand.

The adopted five-year capital improvement plan for fiscal year 2024-2028 includes several pathway projects that will connect the Harbor Boardwalk with additional parking and will connect the library, community center, fishing museum, and three City parks. The City is working closely with a rate analyst to establish developer mobility fees to help the City fund the greater Multi-Modal Mobility Plan.

Purchase and Installation of Municipal Management Software: A top priority for the organization was to implement a comprehensive software package that would automate and centrally connect critical processes, including permitting, planning, regulatory management, inspections, and code compliance, into one easily accessible system for our customers. In 2019, the City purchased Tyler Technology's EnerGov product and branded it with the name **COMPASS (COMMunity Permit And Support System)**. City and EnerGov staff worked diligently on this monumental City project and this new e-government system went live in June 2021. This new software streamlined communication amongst City staff and customers, and productivity has markedly increased at both the office and field levels. The **COMPASS** portal enables residents, developers, contractors, and business owners to easily apply for their building permit, development, business tax receipts and engineering applications from their computer in the comfort of their home or office. They can submit necessary documents, track the progress, pay invoices, and receive final documentation via the **COMPASS** portal without calling or making a trip to City Hall Annex. Furthermore, the average turnaround time between application submittal and permit issuance for permits and business tax receipts has improved by 80%.

Airport Road Safety Improvements: In fiscal year 2019, the **Florida Department of Transportation (FDOT)** agreed to take on the responsibility of designing and constructing safety improvements on the curve on Airport Road. A special new surface and additional signage were installed late in fiscal year 2021, which have improved safety of both lane-sets to help vehicles negotiate the curve.

Norriego Point Stabilization and Recreational Amenities: This has been a high priority project for the Destin community. Due to the complex dynamics of the Destin East Pass, in fiscal year 2011 the City Council appointed a Blue-Ribbon Panel of stakeholders to assist in the decision-making for the proposed design for stabilization of the Point. In late fiscal year 2013, the City was notified that the **Florida Department of Environmental Protection (FDEP)** had been awarded a **National Resource Damage Assessment (NRDA)** grant to construct this

project. In fiscal year 2014 City Staff began working with the state to implement this project. The project began in the fall of 2017 with the stabilization phase. In the fall of 2021, the City signed an agreement with a developer who will work with the City to extend the road and add parking for access to the park that FDEP has worked to design. FDEP continues to manage the design and construction of improvements to Norriego Point. We anticipate the construction of recreation amenities to begin in fiscal year 2024. The resilience efforts on Norriego Point provide storm protection for the Destin Harbor and will help preserve the point for the future.

Stormwater Drainage and Water Quality Improvements: In fiscal year 2015 the City was fortunate to receive a \$3.6 million grant from the **National Fish and Wildlife Foundation's Gulf Environmental Benefit Fund** to complete its six remaining storm water projects identified in **Destin's fiscal year 2002 Stormwater Master Plan**. The City's matching requirement was \$50,000. All six projects were designed in fiscal year 2016. Construction of all six projects were completed in 2017. Additional projects were added, which were completed in fiscal year 2021. The City is currently working to update the Stormwater Master Plan.

Joe's Bayou Renovation: In 2016, the City purchased a parcel of waterfront property that has long been desired by the City of Destin to complete its plans for the Joe's Bayou Recreation Area which will combine four properties into one recreational park. FDEP is managing the funding, design and construction of a bayfront park. Design began in fiscal year 2022 and construction is anticipated to start in fiscal year 2024.

Captain Leonard Destin Park: In late 2014/2015 the City was notified that it would be receiving a \$9,700,000 grant from **BP's Early Restoration Funds**. This grant, administered through **The Trust for Public Land** acquired a three-acre parcel on the Choctawhatchee Bay and constructed a new park with a splash pad and playground. The park also received an operating grant from FDEP for maintenance and operations for a ten-year period beginning at conveyance of the park to the City. The fully constructed park was conveyed to the City at the end of fiscal year 2020. Fiscal year 2021 was the first full year of operations which were fully covered by the grant from FDEP.

Community Redevelopment Agencies

The Community Redevelopment Agency (CRA) is responsible for developing and implementing the Community Redevelopment Plan that addresses the unique needs of the targeted area. The plan includes the overall goals for redevelopment in the area, as well as identifying the types of projects planned for the area. The City of Destin continues to focus on redevelopment opportunities. The establishment of two CRA districts help focus planning efforts for major capital improvements in the heart of the City to maintain the vitality and heritage of our harbor district and to facilitate mobility across town and through our downtown area.

1. Town Center CRA District

Major projects in the Town Center district of the CRA valued at over \$18 million were accomplished between 2005-2009 included:

- Construction of the **Main Street** and **Legion Drive** widening, stormwater management improvements, and multi-modal landscaping enhancements.
- Undergrounding of overhead utilities on Main Street.
- Airport Road widening, including stormwater management improvements and multi-modal amenities.

These projects were accomplished through a combination of grants and **Tax Increment Financing** (TIF) revenue bonds.

Gulf Power Easement/Linear Park: One key project aimed at redeveloping the Town Center District is the proposed Linear Park. An objective outlined in the Town Center CRA plan is to improve non-vehicular pathways between Main Street and Airport Road. This linear park and multi-use pathway will connect portions of the Florida Power easement. The project will provide a safe area for walking, jogging, biking and exercise. In addition, it will provide alternate access for residential areas off Airport Road to shops, restaurants and other amenities in the Town Center. With the assistance of a grant from the **Florida Department of Transportation**, the engineering design is underway and being reviewed by the City's committees.

2. Harbor CRA District

The major projects of the Harbor District CRA were mostly completed in 2009-2013:

- The reconstruction of Mountain Drive into a multi-modal roadway.
- The construction of the first phase of the Harbor Boardwalk.
- The construction of a long-term surface parking lot (Marler Street) on Harbor Boulevard with appropriate lighting, landscaping, and stormwater improvements.
- Melvin Street Drainage.

In 2014, focus was placed on safe pedestrian mobility in the Harbor District and along US 98. The City worked with the State of Florida Department of Transportation (FDOT) to conduct a Pedestrian Safety Assessment analysis of Hwy 98 from Marler Bridge to Airport Road. In the spring of fiscal year 2016, FDOT installed five signalized pedestrian crossings on Harbor Blvd/Highway 98.

Furthermore, the City is in the process of undertaking two major development efforts aimed at enhancing the festive atmosphere and experience of our redevelopment areas.

Captain Royal Melvin Heritage Park and Plaza: The City acquired a 0.77-acre harbor-front property for a park with support from the **Trust for Public Land** and additional funding provided by the **Florida Community Trust**. Located in the center of the Harbor District CRA, **Captain Royal Melvin Park** will serve as a gateway to the Destin Harbor District featuring an observation platform, resource center, educational signage, walkways, and a plaza with picnic tables, playground equipment and restrooms. The construction of the park began in early 2021 and the park was officially opened to the public in July 2023.

Additional Financial Policies that Affect the Financial Position

General Government Functions: The City’s accounting system is organized on a fund basis. A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts. The types of funds used are determined generally by the City Council upon recommendation of the City Manager and the Finance Director accepted accounting policies and procedures, as well as the number of funds.

In accordance with Florida Statutes, Chapter 218.33, revenues are recorded by source to provide information necessary to: (1) prepare and control the budget, (2) record the collection of revenues, (3) prepare financial statements and schedules, and (4) prepare financial statistics.

Long-Term Financial Planning

The City’s responsiveness to emerging economic challenges and its careful long-range planning have been instrumental in maintaining Destin’s fiscal health. fiscal conservatism, a streamlined budget, and operating efficiencies have resulted in a solid position for the City at the close of fiscal year 2023. Approval by Council of mission and goal statements allows staff to create strategic plans and a programmatic budget that directly responds to the Council’s vision, goals, and community expectations. The City continues to prioritize debt service and operations first in budgeting. Most capital projects are funded by grant revenues and impact fees.

Statement of Philosophy: In 2021, the Mayor and City Council adopted a new vision statement: “Destin is a family-oriented beach and fishing community where people want to live, work and play and where visitors are welcomed to respectfully enjoy our community and its resources.” City leaders have continued to reinforce and refine their support of this vision each year at their strategic planning sessions.

As indicated within this Vision Statement, the City of Destin is working at all levels to improve the quality of life within our community. Since the Budget is a policy document and serves as a statement of City policy in fiscal terms, it should be viewed as a reflection of the Council’s established strategic goals of:

- 1) **Financially sound city providing service excellence.**
- 2) **Enhanced quality of life and safety for families.**
- 3) **Economic development and revitalization.**

- 4) **Effective, efficient and aesthetically pleasing infrastructure.**
- 5) **Improve mobility and connectivity.**
- 6) **A green and sustainable environment.**
- 7) **Offer livable wages and benefits to attract and maintain a high caliber, qualified staff.**

Plans articulated in the fiscal year 2024 Adopted Budget and Capital Improvement Plan continue to support basic governmental services (roads, parks, recreation, and stormwater, etc.) while also addressing the City Council's broad goals and citizens' expectations for the community.

Destin's financial plan requires many elements working in concert with one another. Some of these financial plan elements are financial resource planning, investment planning, strategic capital improvement project planning, and debt management. The Finance Department's management role is to maintain and enhance financial plan elements and ensure continued financial stability for the City of Destin.

Budget Planning: The City of Destin is required to adopt an annual budget in accordance with the City Charter and State Statutes. The City Manager is charged with preparing a proposed budget submission in July of each year for the fiscal year that begins the following October 1. Appropriations by department by fund and tax levies are adopted in September. The budget also authorizes the number of full-time equivalent positions available to City departments to deliver services. The budget may be amended by Council motion at a regular meeting or administratively if the change is within the same department and fund. Various thresholds of review and approval have been established for purchases and hiring as the budget is implemented. Amendments made by motion and resolution during the year are consolidated into Ordinance before the close of the fiscal year.

Capital Improvement Program: Destin's Capital Improvement Program projects are planned for five years and evaluated based on project totals of over \$25,000, a useful life of five years or more; and costs that do not reoccur annually, unless the project has multi-year elements. The operating cost impacts of projects are also planned and considered in developing future operating budget plans. Projects with significant operating impacts are carefully timed to avoid contingent liabilities, which future operating resources cannot meet. Pay-as-you-go funding sources are also conservatively estimated to avoid over-committing to capital construction using revenues that are not certain. Expending the pay-go funding sources can appear as an appropriation of fund balance in years when construction occurs after years of saving up for a project. To the extent debt financing is used and/or required, capital project plans are sized to conform to existing debt management policies.

Debt Management: Destin has a financial policy which prohibits the issuance of debt for operating costs. With that as a governing framework, all debt issuances are for the purpose of financing capital infrastructure (or long-lived costly assets). Each debt issuance is evaluated against multiple additional policies addressing debt service as a percent of operating expenditures, tax and revenue bases for the repayment of debt, the overall debt burden on the community and statutory limitations and market factors affecting tax-exempt interest costs. In all cases a long-term analysis is made considering the financial (debt) capacity that fits the wherewithal (and willingness) of our community to pay for the capital projects. The annual debt service operating cost for each additional one million dollars in new debt averages about \$50,000 based on an average interest rate of 5.0%. Sizing of the City's Capital Improvement Program is based on the debt capacity in conjunction with conservatively estimated pay-as-you-go revenues which will help stabilize per capita debt and lower annual debt service costs to the City over the long-term.

Revenues pledged to the repayment of debt issues consist of general government's commitment to budget and appropriate, sales taxes, communication service taxes, and CRA tax increment funding (TIF). The Tax Increment Financing (TIF) revenues are calculated using the growth of property values above the base year property values within each CRA district. Annual requirements and debt transactions are reflected in the notes to the financial statements.

Internal Control: City management is responsible for establishing and monitoring internal controls to ensure that the City fulfills its fiduciary responsibility as custodian of public monies. The purpose of internal controls is to provide reasonable, but not absolute, assurance that City assets are safeguarded against loss through unauthorized use or disposition. The concept of reasonable assurance recognizes that the cost of control should not exceed the benefits likely to be derived and the valuation of costs and benefits requires estimates and judgments by management.

Fiduciary Operations: The City of Destin maintains a defined contribution plan for the City's full-time employees. The City's contributes 7.5% of the employee's annual earnings to the retirement program and will match the first 5% of the employee's contribution to their 457 retirement program. Additional information on the City's pension arrangements and post-employment benefits can be found in Notes 11 and 12 in the financial statements.

Financial Information

Management's Discussion and Analysis (MD&A) (starting on page 4) summarizes the Statement of Net Position and Statement of Activities and reviews the changes (from the beginning to the end of the period and current year to prior year). The Government-wide financial statements (in detail) are presented on pages 21 through 26 and are intended to present the City in a manner similar to private-sector businesses.

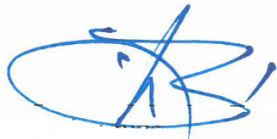
Additionally, the Fund Financial Statements (starting on page 27) are designed to address the Major (or more significant) individual funds by category. An explanation of these complementary presentations can be found in the MD&A (starting on page 6).

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Destin for its Annual Comprehensive Financial Report (ACFR) for the year ended September 30, 2022. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports. This was the twenty-seventh consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized ACFR. This report satisfied both GAAP and applicable legal requirements.

This achievement is the direct result of the efforts of many people and not the work of a single person. Our gratitude is given to the Mayor and City Council for their continuing attention, assistance, and cooperation regarding the financial operations of the City as well as to our residents for their support toward the planning and administration of the financial operations of the City in a responsible and progressive manner. We would also like to express our thanks to the staff of Mauldin and Jenkins, LLC, Certified Public Accountants, for their professional services and assistance to the City of Destin. Lastly, we extend our sincere appreciation to all City employees, particularly our finance staff, for their hard work, professionalism, and dedication to ensuring Destin's financial stability.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'L. Zunguze', with a large, stylized loop at the end.

Louis Zunguze
City Manager

A handwritten signature in blue ink, appearing to read 'Krystal Strickland', with a stylized, cursive script.

Krystal Strickland, CPA, CGFO
Finance Director

CITY OF DESTIN EXECUTIVE

DIRECTORY

City Council

Bobby Wagner, Mayor
Dewey Destin, Mayor Pro Tem/Council
Torey Geile, Council
Terésa Herbert, Council
Johnny King, Council
Kevin Schmidt, Council
Jim Bagby, Council
John Stephens, Council

City Manager

Louis Zunguze

Finance/Budget Director

Krystal Strickland

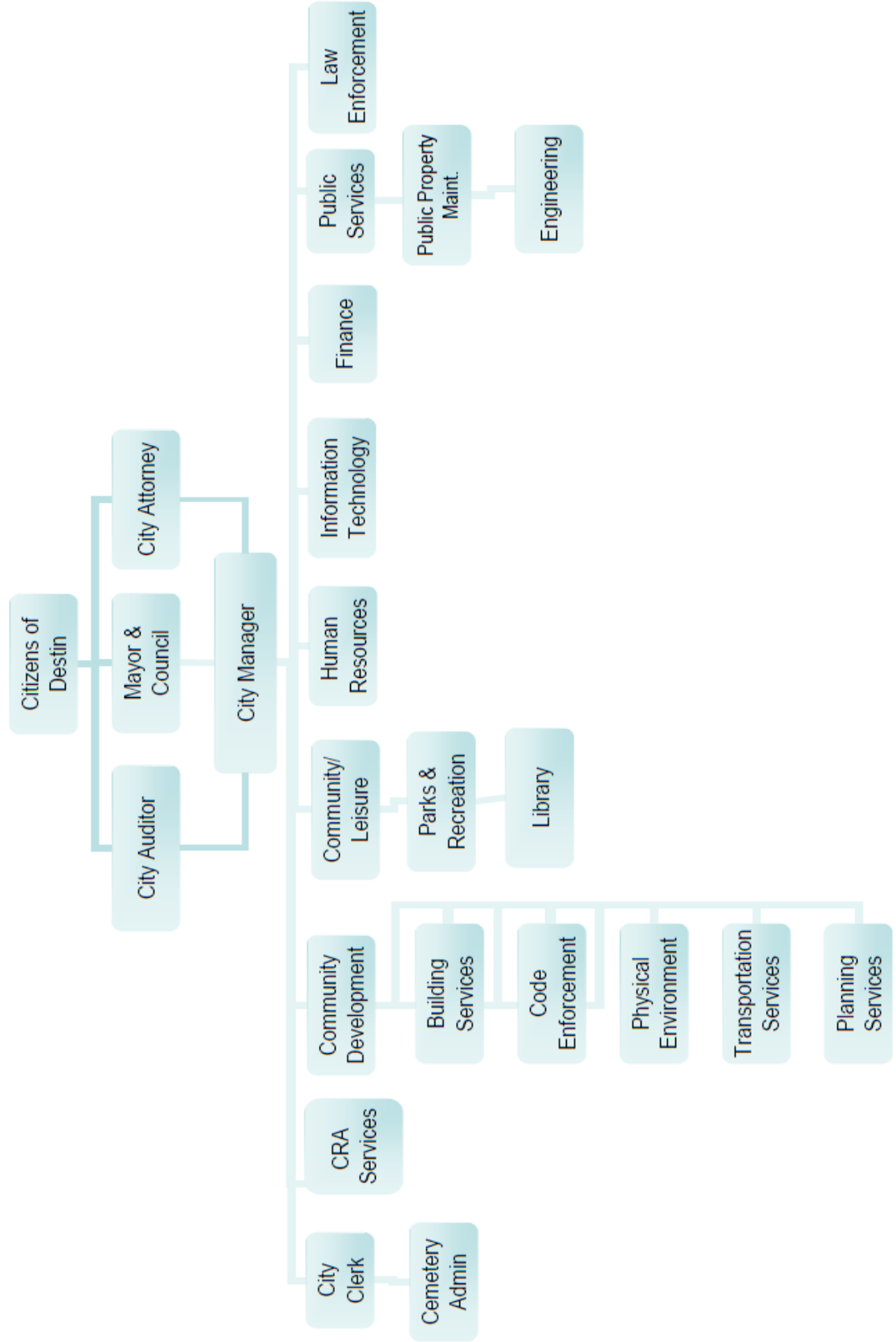
City Clerk

Rey Bailey

City Attorney

Kimberly Kopp
Romano Kopp Law, P.A.

City of Destin Organizational Chart





Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Destin
Florida**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2022

Christopher P. Morrell

Executive Director/CEO

FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members of
the City Council,
City of Destin, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the **City of Destin, Florida** (the "City"), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City as of September 30, 2023, and the respective changes in financial position and the respective budgetary comparisons for the General Fund, the CRA Town Center Fund, the Okaloosa Half-Penny Fund, and the 2023 TDC Advance Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 20 and the schedule of changes in the City's total OPEB liability and related ratios on page 55 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of state financial assistance is presented for purposes of additional analysis as required by Chapter 10.550, Rules of the Auditor General of the State of Florida and is also not a required part of the basic financial statements of the City. Such information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund statements and schedules and the schedule of expenditures of state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

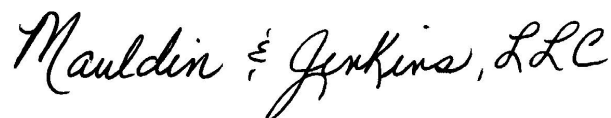
Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 5, 2024, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



Bradenton, Florida
March 5, 2024

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CITY OF DESTIN, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2023

As management of the City of Destin, Florida (the "City") we offer readers of the City's financial statements this narrative overview and analysis of financial activities of the City for the fiscal year ended September 30, 2023. The City's Management Discussion and Analysis (MD&A) is designed to: (a) assist the reader in focusing on the significant financial issues, (b) provide an overview of the City's financial activities, (c) identify changes in financial position, (d) identify any material deviations from the financial plan (the approved budget), and (e) identify any individual fund issues or concerns. We encourage readers to consider the information presented here in conjunction with the additional information that we have furnished in our letter of transmittal.

FINANCIAL HIGHLIGHTS

- Assets plus deferred outflows of resources of the City of Destin exceeded liabilities plus deferred inflows of resources at the close of the most recent fiscal year by \$161.5 million (net position). Of this amount, \$114.1 million represents the net investment in capital assets (e.g. land, infrastructure, building, machinery, and equipment), \$9 million is restricted for use by regulatory agencies, grantors and debt covenants, and \$38.3 is unrestricted and may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net position increased by \$22 million during the current fiscal year. The majority of this increase is from land acquisitions for parks and to complete roadway connections. Engineering designs for parks and multi-use trails were also funded by grants. Net position also increased because the City is collecting certain revenues to pay for pay-go capital projects. During fiscal year 2023, the City collected Okaloosa Half Penny Infrastructure Surtax, Electric Franchise Fees, and parking fees to invest in projects such as Undergrounding of overhead utilities, replacing stormwater infrastructure, and addressing traffic and parking issues. These pay-go capital projects are all scheduled to commence between FY 2024 and FY 2028.
- Governmental Activities generated \$16.9 million in program revenues (\$10.4 million more than in the prior fiscal year). Capital grants were \$9.9 million higher in FY 2023 than FY 2022. Charges for services were \$370 thousand higher primarily due to an increase in parking fees in public parking areas. Expenses increased approximately \$816 thousand. Culture and recreation and public safety expenses increased the most. Culture and recreation operating costs increased nearly \$508 thousand, primarily to operate and maintain the Morgan Sports Center and the Community Center. Public safety expenses increased \$481 thousand for enforcement of Florida Building code, law enforcement (contracted Okaloosa Sheriff's Office), and because we began expansion of our Code Compliance department.
- At the close of the current fiscal year, the City of Destin's governmental funds reported combined ending fund balances of \$47.8 million, an increase of \$9 million or 23% over the prior year. Of this amount, \$2.5 million is nonspendable, \$7 million is restricted, \$21.6 million is committed, and \$16.8 million is unassigned.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$17.8 million, or 72% of the total General Fund operating expenditures.
- During fiscal year 2023, the City took an advance of TDC grant funds of \$7 million which will be repaid to the TDC through future collections of Tourism Development Taxes that will be granted to the City. In addition, the City recorded the remaining liability outstanding of a Subscription-Based IT Agreement (SBITA) in the amount of \$313 thousand in accordance with governmental accounting standard GASB 96 and initiated a 27-month lease of copier/scanning machines in the amount of \$29 thousand.
- During this fiscal year, the City invested \$20.9 million into capital assets such as land acquisition for parks and roadways and replacing major components of facilities, replacing old vehicles and machinery, and renewing (milling/resurfacing) roadways.

CITY OF DESTIN, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2023

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts – *Introductory Section, Financial Section, Statistical Section, and the Compliance Section*. Within the Financial Section, there is the *Independent Auditors' Report*, this *Management's Discussion and Analysis*, the *Basic Financial Statements*, *Required Supplementary Information* and an additional section that presents *Combining Statements* for non-major governmental funds. The basic financial statements include two kinds of statements that present different views of the City:

Government-wide – The first two statements are *government-wide financial statements* that provide both long-term and short-term information about the City's overall financial status.

Fund Financial Statements – The remaining statements are *fund financial statements* that focus on individual parts of the City government, reporting the City's operations in more detail than the government-wide statements. These fund financial statements focus on the short-term cashflows and exclude long-term items such as capital assets and long-term liabilities.

The focus of the Governmental Accounting Standards Board ("GASB") Statement Number 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments* financial statements is on both the City as a whole (government-wide) and on the major individual funds. Both perspectives (government-wide and major funds) allow the user to address relevant questions, broaden a basis for comparison (such as year-to-year and government-to-government), and enhance the City's accountability.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

Designed to be corporate-like, the *government-wide financial statements* typically consolidate governmental and business-type activities into two columns, which add to a total for the primary government entity. However, the City of Destin has only governmental activities and, therefore, one column is presented that provides readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the City's assets, deferred outflows, liabilities, and deferred inflows with the difference reported as net position. This statement combines and consolidates the governmental funds' current financial resources (short-term spendable resources) with capital assets and long-term obligations. Over time, increases or decreases in net position may serve as a useful indicator of the financial position of the City.

The *statement of activities* presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). *The City of Destin does not have any business-type activities*. The governmental activities of the City include general government (city clerk, city council, city manager, human resources, finance, city planning, facility and fleet maintenance and non-departmental expenses), public safety (code compliance, law enforcement, and building department services), physical environment (cemetery and stormwater), transportation (public works, streets, sidewalks, streetlights, engineering, traffic signage, median and right-of-way maintenance), economic development (community redevelopment agencies), human services (animal control and contributions), culture and recreation (library, parks, athletic fields, and community center) and debt service.

The government-wide financial statements are found on pages 21 and 22 of this report.

CITY OF DESTIN, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2023

FUND FINANCIAL STATEMENTS

A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Unlike government-wide financial statements, the focus of fund financial statements is directed to specific activities of the City rather than the City as a whole. The City of Destin's funds can be divided into two categories: governmental and fiduciary funds. Our City does not currently have any proprietary (business-like) funds.

GOVERNMENTAL FUNDS

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of expendable resources, as well as on balances of expendable resources available at fiscal year-end. Such information may be useful in evaluating a government's near-term financial requirements. The basic governmental fund financial statements are found on pages 23 through 32 of this report.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented in governmental funds with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenue, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains thirteen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenue, expenditures and changes in fund balances for four of the thirteen funds considered to be major funds. Individual fund data for each of these nonmajor governmental funds are provided in the form of combining statements and can be found on pages 56 through 66 of this report.

Major Governmental Funds:

General Fund
CRA Town Center Fund
Capital Projects Fund
Okaloosa Half-Penny Fund
2023 TDC Advance Funding Agreement

Non-major Governmental Funds:

CRA Harbor Fund
Florida Building Code Fund
Parking Fund
Technology Fund
Water Quality Fund
2013 Refunding Revenue Note Series Fund
2014 Refunding Revenue Note Series Fund
2021 Refunding Revenue Note Series Fund

The City of Destin adopts annual appropriated budgets for all of the governmental funds. A budgetary comparison statement is presented within this report for each of those funds to demonstrate budgetary compliance.

PROPRIETARY FUNDS

Proprietary funds normally report business-type activities and provide the same type of information as the government-wide financial statements, only in more detail. The City of Destin has no business-type activities that meet the definition of this fund category.

CITY OF DESTIN, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2023

FIDUCIARY FUNDS

Fiduciary funds are used to account for resources held for the benefit of parties outside the government.

The City maintains a defined contribution plan for the City's full-time employees. The City administers the retirement plan known as the "Employee Thrift Plan." The Board of Trustees operates the investment policy set forth by the City Council. All funds are held by Benjamin F. Edwards & Co., which also acts as the Investment Manager. As of September 30, 2023, total assets were stated at \$5.7 million, an increase of \$896 thousand compared to the September 30, 2022 stated value of \$4.8 million. The increase in assets was due to dividend and interest income, and an unrealized increase in value of \$687 thousand. Contributions net of withdrawals increased the fund by nearly \$209 thousand. Allocations of investments were represented as 94% mutual funds and nearly 6% cash and cash equivalents.

The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements are found on pages 31 and 32 of this report.

NOTES TO FINANCIAL STATEMENTS

The notes to the financial statements provide additional information, which is essential to the full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements begin on page 33 of this report.

OTHER INFORMATION

The combining statements, mentioned earlier in connection with nonmajor governmental funds, are presented immediately following the required supplementary information. The combining and individual nonmajor fund financial statements are found on pages 56 through 66 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Summary of net position. As noted earlier, over time net position may serve as a useful indicator of a government's financial position. There are six basic transactions that will affect the comparability of the Statement of Net Position summary presentation as reflected below:

- 1) **Net results of activities** will impact (increase/decrease) current assets and unrestricted net position.
- 2) **Borrowing for capital** items will increase current assets and long-term debt.
- 3) **Spending borrowed proceeds on new capital** items will reduce current assets and increase capital assets. Additionally, an increase in investments in capital assets plus an increase in related debt will not change the net investment in capital assets.
- 4) **Spending of non-borrowed current assets on new capital** items will reduce current assets, increase capital assets, reduce unrestricted net position, and increase net investment in capital assets.
- 5) **Principal payment on debt** will reduce current assets, reduce long-term debt, decrease unrestricted net position, and increase net investment in capital assets.
- 6) **Reduction of capital assets through depreciation** will reduce capital assets and net investment in capital assets.

CITY OF DESTIN, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2023

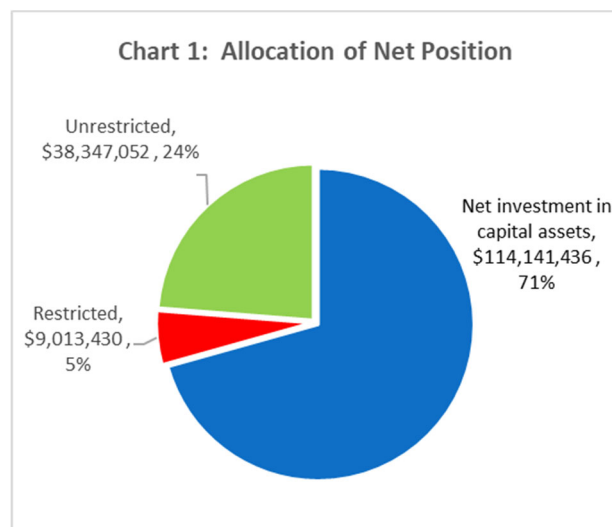
In the case of the City of Destin, combined assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$161.5 million at the close of fiscal year 2023. (See Table 1 below.)

Table 1
Statement of Net Position
As of September 30, 2023

	Governmental Activities			
	2023	2022	\$ Change	% Change
Current and other assets	\$ 49,916,937	\$ 41,409,176	\$ 8,507,761	21%
Capital assets	139,811,146	122,321,856	17,489,290	14%
Total assets	189,728,083	163,731,032	25,997,051	16%
Deferred outflows	53,275	59,898	(6,623)	-11%
Other liabilities	5,534,071	4,854,976	679,095	14%
Long-term liabilities	22,745,370	19,446,004	3,299,366	17%
Total liabilities	28,279,441	24,300,980	3,978,461	16%
Net position:				
Net investment in capital assets	114,141,436	100,905,387	13,236,049	13%
Restricted	9,013,429	5,073,775	3,939,654	78%
Unrestricted	38,347,052	33,510,788	4,836,264	14%
Total net position	\$ 161,501,917	\$ 139,489,950	\$ 22,011,967	16%

The largest portion of the City's net position, \$114.1 million (71% of total net position), reflects the investment in capital assets (e.g. land, infrastructure, buildings, machinery, and equipment) less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. An additional portion of the City's net position, \$9 million (5% of total net position) represents resources that are subject to external restrictions. The remaining balance of \$38.4 million (24% of total) is considered unrestricted and may be used to meet the City's ongoing obligations to citizens and creditors.

The City's current and other assets increased \$8.5 million (21%). Much of this increase is revenues that are being saved to apply towards major capital projects that are identified in the 5-year capital project plan. Capital assets net of depreciation increased \$17.5 million (14%). Our largest addition to capital assets during FY 2023 was the acquisition of a parcel of land at Tarpon Beach (\$14 million) to expand public beach access, and the purchase of six parcels of land near Sandalwood Drive (\$2.6 million) towards completion of an alternate route for citizens to travel between West Destin and East Destin. This alternate route is referred to as the Cross-Town Connector in the City's five-year capital improvement plan. More details on the changes in capital assets can be found in Note 7 of the financial statements found on pages 45 and 46.



CITY OF DESTIN, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2023

The City paid down over \$3 million in debt and borrowed \$7 million in an advance funding agreement from the Tourism Development Council, which resulted in a net increase in total liabilities of \$4 million (16% increase). More details regarding the changes in long-term liabilities can be found in Note 8 and Note 9 to the financial statements found in pages 46 through 49.

Summary of changes in net position. The following information is presented to assist the reader in understanding the different types of basic impacts that can affect revenues:

- 1) **Economic Condition** can reflect a declining, stable, or growing environment and has an impact on property taxes, sales, gas, or other tax revenues as well as consumer spending habits as it relates to building permits, user fees, and other consumption revenues.
- 2) The City Council has authority to set **increases or decreases in City rates** (permitting, impact fees, user fees, parking fees, etc.).
- 3) **Changing patterns in intergovernmental and grant revenues** (both recurring and non-recurring) can change and impact the annual comparisons.
- 4) **Market impacts on investment income** may cause investment revenues to fluctuate from the prior year.

Basic impacts that can affect expenses:

- 1) **Introduction or elimination of programs** and facilities can have an impact on staffing levels, operating costs, and capital outlay costs.
- 2) **Changes in service levels** can cause the City to increase or decrease expenses. The City of Destin outsources many activities, such as law enforcement, legal services, median maintenance, and engineering services. Contracted services represent approximately 25% of the City's operating costs.
- 3) **Salary increases** such as cost of living, performance increase, and pension contributions can impact personnel costs. Staffing costs (salary and related benefits) represent approximately 42% of the City's operating costs.
- 4) **Inflation** continues to edge upwards, therefore increasing the price of goods and services purchased by the City. The City is also a major consumer of certain commodities such as fuel, chemicals, supplies, parts, and construction materials to maintain our facilities which have experienced unusual commodity specific increases. In addition, the City has contracts with built-in annual increases.

The City's net position increased by \$22 million (16%) during the fiscal year 2023. The increase in net position was primarily a result of capital grants to purchase land for parks and to complete a roadway. In addition, the City is saving electric franchise fees and Okaloosa Half Penny Infrastructure surtaxes to invest in capital projects scheduled to begin FY 2024 to FY 2028. Accumulation of these restricted and committed funds increases net position.

More detailed information regarding the changes in governmental revenues and expenses can be found following Table 2, which is a summary of the change in net position for governmental activities.

CITY OF DESTIN, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2023

Table 2
Statement of Activities
For the Year Ended September 30, 2023

	Governmental Activities			
	2023	2022	\$ Change	% Change
Revenues:				
Program revenues:				
Charges for services	\$ 3,564,213	\$ 3,193,879	\$ 370,334	12%
Operating grants and contributions	871,096	775,474	95,622	12%
Capital grants and contributions	12,440,237	2,496,372	9,943,865	398%
General revenues:				
Property taxes	12,464,569	10,794,578	1,669,991	15%
Other taxes	3,571,611	3,496,780	74,831	2%
Franchise fees	3,514,832	3,159,650	355,182	11%
Government revenue sharing	2,481,969	2,491,312	(9,343)	0%
Impact fees	453,374	132,605	320,769	242%
Investment income (loss)	578,203	(1,078,214)	1,656,417	-154%
Miscellaneous	102,444	36,503	65,941	181%
Total revenues	40,042,548	25,498,939	14,543,609	57%
Operating expenses:				
General government	3,604,493	3,882,608	(278,115)	-7%
Public safety	4,441,808	3,960,949	480,859	12%
Physical environment	996,593	1,180,082	(183,489)	-16%
Transportation	3,587,231	3,377,216	210,015	6%
Economic environment	244,282	129,780	114,502	88%
Human services	53,466	51,604	1,862	4%
Culture and recreation	4,589,126	4,081,335	507,791	12%
Interest	513,582	550,710	(37,128)	-7%
Total operating expenses	18,030,581	17,214,284	816,297	5%
Change in net position	22,011,967	8,284,655	13,727,312	166%
Net position, beginning	139,489,950	131,205,295	8,284,655	6%
Net position, ending	\$ 161,501,917	\$ 139,489,950	\$ 22,011,967	16%

Current Year Impact – Governmental Activities

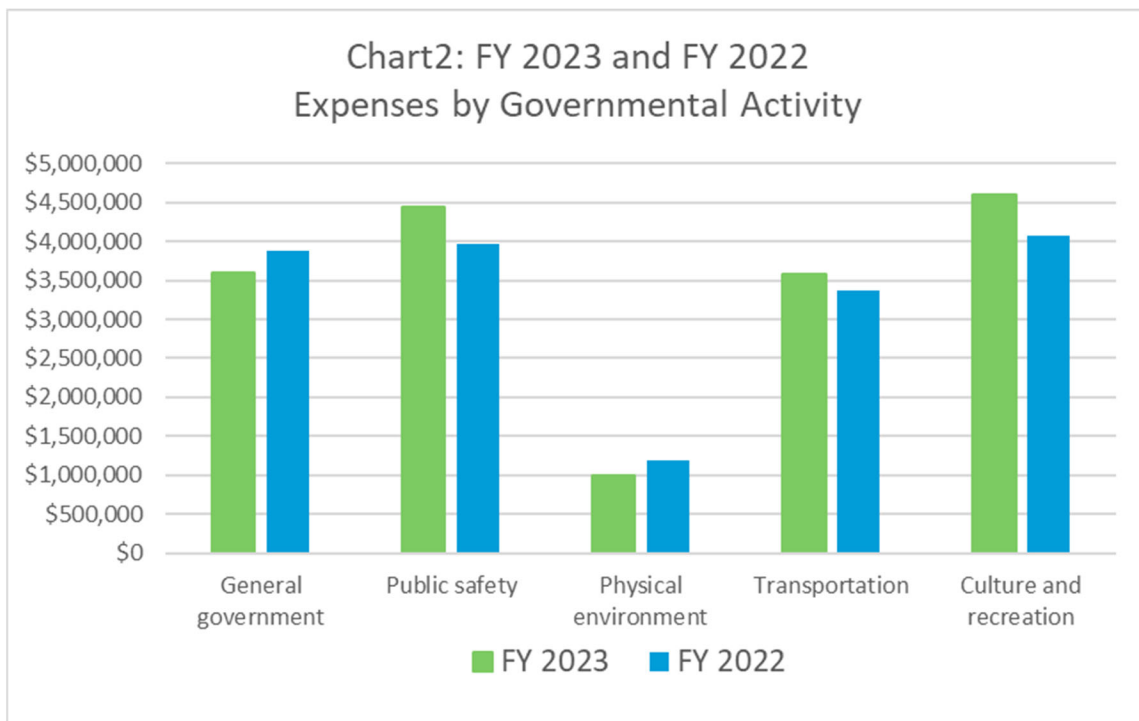
- Ad valorem property taxes increased \$1.7 million (15%) due to the increase of property values within the City. The millage rate has been maintained at 1.615 for each of the last seven fiscal years (since FY 2017). Upon incorporation in 1984, the City of Destin adopted a millage rate cap of 2 mills.
- Grants and contributions increased \$10 million (307%) from \$3.3 million in the prior year to \$13.3 million in FY 2023. During FY 2023, the City received nearly \$10 million in grant funding from Okaloosa County and the Okaloosa Tourist Development Council to acquire land and expand beach access. The City also received \$3.3 million from an FDOT TRIP grant to acquire land for right-of-way to complete connection between two roadways.
- Investment income increased \$1.6 million, recovering from an unrealized loss balance of \$1 million at the end of FY 2022 to an earned and unrealized gain of \$578 thousand by the end of FY 2023. During the second half of FY 2023, the City transferred the cash into a money market account (cash equivalent) instead of automatically reinvesting treasuries and other investments. During FY 2023, money market accounts were earning at higher rates than many investment options.

CITY OF DESTIN, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2023

- Total governmental expenses increased 5% (\$816 thousand). The largest increase in governmental expenses was for Culture and Recreation (12% or \$508 thousand). Culture and recreation ground maintenance and repairs to facilities increased significantly. In addition, property insurance and liability insurance for our programs increased. Personnel for culture and recreation represents the remaining amount, and includes health insurance cost increases, and the first full year of personnel costs since the compensation study recommendations were implemented in late FY 2022. The second largest increase in governmental expenses was for Public Safety (12%, or \$481 thousand). Half of this increase is related to the enforcement of Florida Building code and related personnel and software as we endeavor to improve our citizen portal and turnaround time for inspection services. The remaining amount of increased public safety expenses comes from an increase in our contracted law enforcement services and improvements we are making in the code compliance department.

Chart 2 compares Expenses by Governmental Activity year over year:



CITY OF DESTIN, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2023

Chart 3 compares governmental revenues from fiscal year 2023 to fiscal year 2022 by major revenue category:

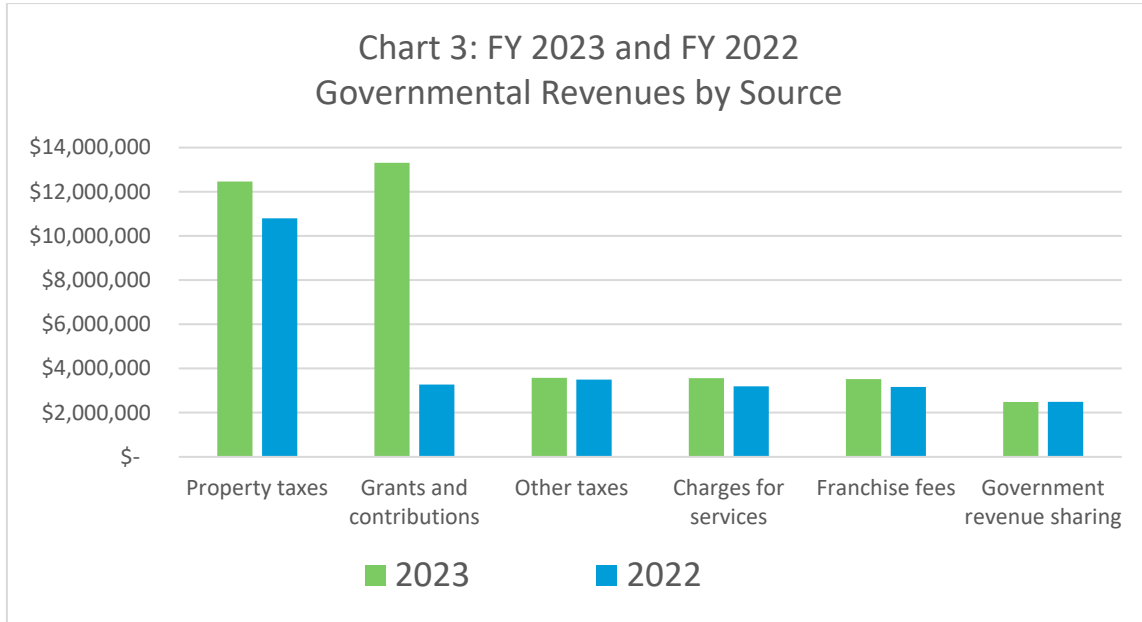
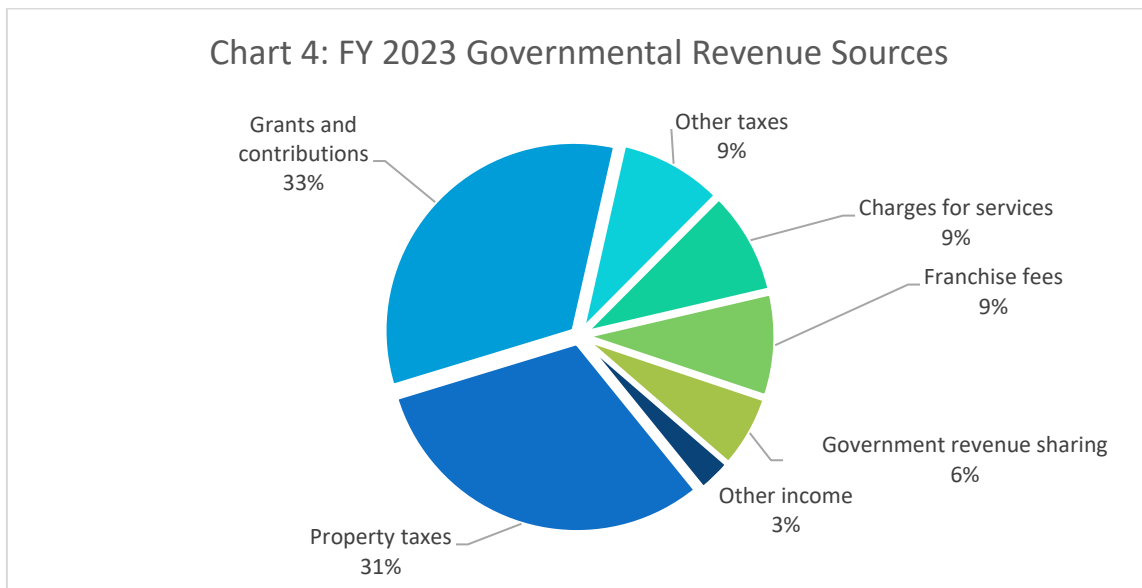


Chart 4 provides an overall view of the various governmental revenue sources:

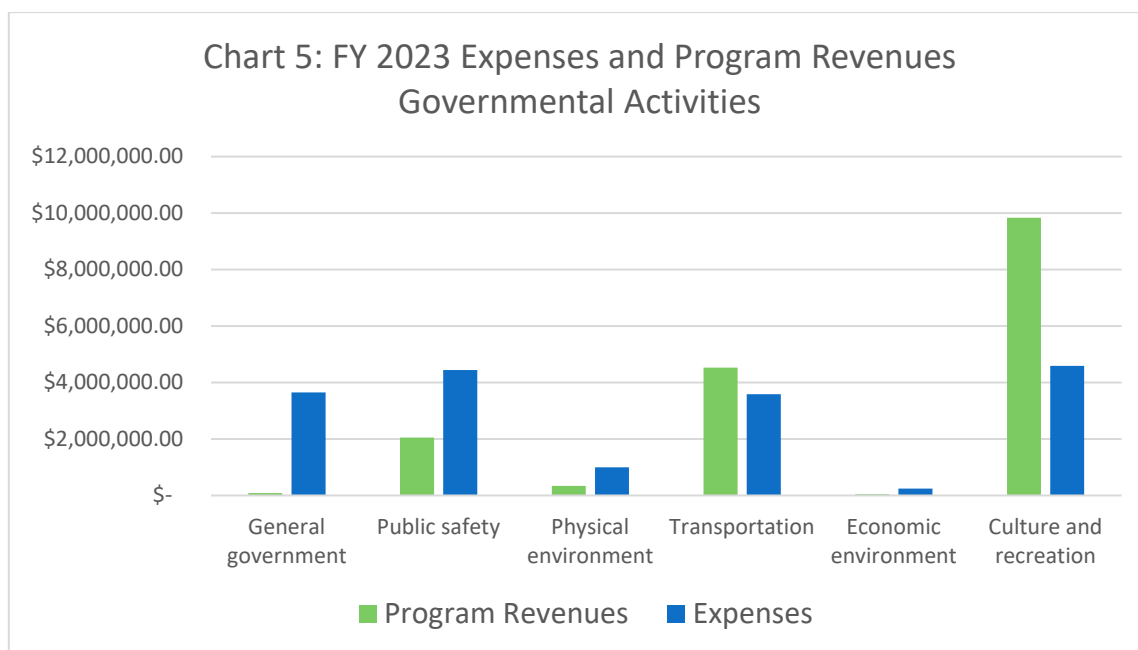


CITY OF DESTIN, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2023

Chart 5 compares program revenues to program expenses for each category of governmental activity. Program revenues include charges for services and grants. The cost of all governmental activities this year was \$18 million. This cost was financed by:

- Those who directly benefit from the programs through charges for services \$3.6 million (20% of total program expenses);
- Other governments and organizations that subsidize certain programs through grants and contributions \$13.3 million (74% of total program expenses); and
- The remaining \$1.2 million “public benefit” portion of governmental activities was financed with property taxes.



FINANCIAL ANALYSIS OF THE CITY'S FUNDS

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of September 30, 2023, the City's governmental funds reported combined ending fund balance of \$47.8 million, an increase of \$9 million (23%) as compared to the prior year.

Fund balance of governmental funds consists of the following classifications (see table 3 on the following page).

Nonspendable Fund Balance: \$2.5 million is classified as Nonspendable, which indicates these amounts are not available to pay near-term obligations. Our current nonspendable balance includes prepaid expenditures (\$123 thousand), and an interfund advance from the General Fund to the Town Center CRA fund (\$2.4 million).

CITY OF DESTIN, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2023

Table 3
Governmental Funds - Fund Balance
As of September 30,

Fund Balance	Governmental Activities		\$ Change	% Change
	2023	2022		
<i>Nonspendable:</i>				
Interfund advance	\$ 2,361,624	\$ 2,448,824	\$ (87,200)	-4%
Prepays and deposits	122,965	132,428	(9,463)	-7%
<i>Restricted for:</i>				
Impact fees (park, traffic, library and police)	2,313,445	2,017,332	296,113	15%
Other agreements (NPEB, Stormwater, Morgans Grant, Gas Tax#2)	3,233,740	1,853,387	1,380,353	74%
Debt service	342,228	340,053	2,175	1%
CRA Harbor	730,649	418,169	312,480	75%
Florida Building Code	342,260	444,834	(102,574)	-23%
<i>Committed for:</i>				
Emergency operations	4,138,122	5,039,397	(901,275)	-18%
Debt service	3,605,098	3,605,098	-	0%
Emergency maintenance	4,138,122	5,039,396	(901,274)	-18%
Infrastructure surtax	5,715,003	4,486,150	1,228,853	27%
Renewal and replacement	2,252,268	1,554,316	697,952	45%
Parking	1,030,857	347,845	683,012	
Technology	442,347	351,125	91,222	26%
Encumbrances	256,592	857,077	(600,485)	-70%
<i>Unassigned</i>	16,788,335	9,836,399	6,951,936	71%
Total Fund Balance	\$ 47,813,655	\$ 38,771,830	\$ 9,041,825	23%

Restricted Fund Balance: Nearly \$7 million is classified as restricted. External entities, such as the State of Florida, lenders and grantors placed restrictions on the use of these funds. \$2.3 million is impact fees which are restricted for expenditure upon "growth necessitated capital expenditures" and cannot be used to pay for operating expenses. \$3.2 million has been restricted by grant and interlocal agreements. \$342 thousand is in debt service accounts to be expended as per debt covenants. Nearly \$731 thousand is for expenditure within the Community Redevelopment Agency districts, and \$342 thousand is restricted for expenditures related to enforcing Florida Building Code as per state statutes.

Committed Fund Balance: \$21.6 million is classified as committed, to indicate amounts constrained to purposes by City Council through Ordinance or Resolution. City resolution 12-20 commits the equivalent of three months operating costs to be placed into the Emergency Operations reserve (\$4.1 million), one year's worth of debt service (\$3.6 million) is in a debt service reserve, and an equivalent to three months of operating costs is in an emergency maintenance reserve (\$4.1 million). Council has chosen to commit the Okaloosa Half Penny Local Infrastructure Surtax to specific capital projects (current fund balance of \$5.7 million). \$2.3 million has been committed to renew and replace certain infrastructure, capital components of facilities, and to replace capital machinery. The balance of the Parking Fund \$1 million is committed to maintaining parking areas and to address parking issues. The \$442 thousand balance in the Technology Fund is to be used for hardware and software to process permits and licenses issued by the Building, Code Compliance, and Community Development departments.

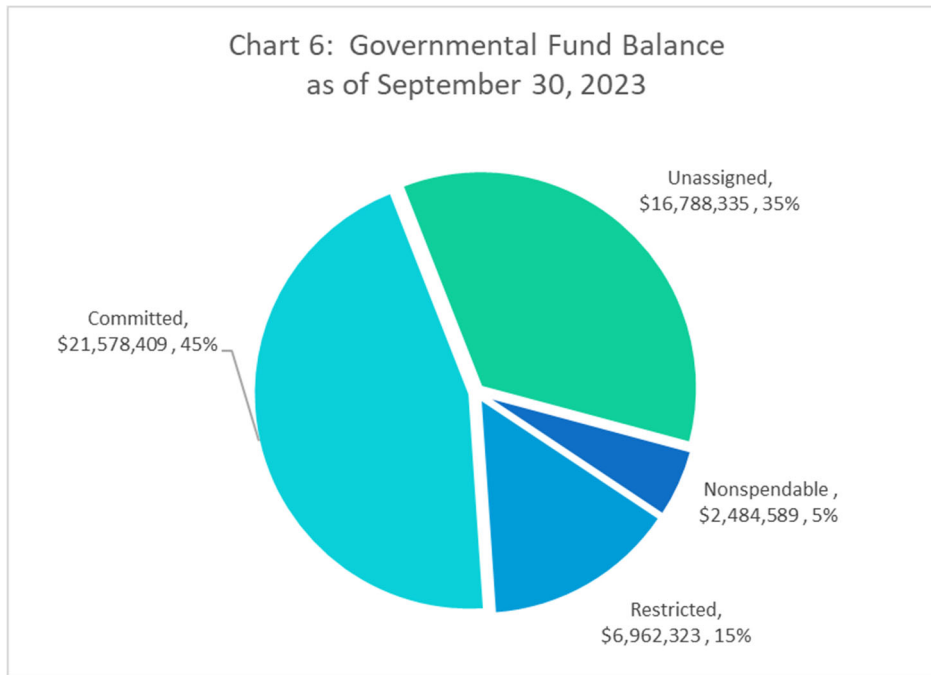
Assigned Fund Balance: No funds are currently classified as assigned. Assigned indicates the City's intent to use for a specific purpose.

CITY OF DESTIN, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2023

Unassigned Fund Balance: \$16.8 million is classified as unassigned which identifies net resources available for spending at the end of the fiscal year.

Chart 6 depicts the total governmental fund balance by major classification:



General Fund

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, the General Fund balance totaled \$32.4 million of which \$17.8 million is unassigned. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total expenditures. Unassigned fund balance represents 138%, or approximately 17 months of the General Fund's total operating expenditures.

The fund balance of the City's General Fund increased nearly \$4.3 million during the current fiscal year from \$28.1 to \$32.4 million. While we tend to budget to keep the General Fund balance level, during

FY 2023 actual revenues were \$1.5 million higher than anticipated (all attributed to investment gains) and expenditures plus transfers out were \$3.5 million lower than planned primarily due to difficulty in maintaining budgeted staffing levels.

The total revenues of the General Fund increased \$3 million from \$16.9 million in FY 2022 to \$19.9 million in FY 2023. The main change was in investment income. The value of the city's surplus cash investment portfolio was valued \$1.5 million higher at the end of FY 2023 than it was at the end of FY 2022. The second major factor is related to property taxable values which increased and resulted in collection of \$1.1 million more in ad valorem property taxes during FY 2023 than in FY 2022. As mentioned earlier, the City continues to maintain the same millage rate of 1.615 since FY 2017.

The total expenditures of the General Fund increased \$725 thousand (6%). In late FY 2022, the City implemented compensation study results, increasing salaries for over 70% of our staff. FY 2023 reflects the first full year of personnel costs at the new rates. Culture and recreation accounts for 44% of City personnel and also represents the majority of personnel who benefited most from the compensation study. Culture and recreation expenses paid by the General Fund increased 15% (\$481 thousand), primarily due to above mentioned increase in personnel costs, but also due to increased expenditures for maintenance of grounds and facilities and repairs to aging equipment and facilities. The second highest expense activity in the General Fund was towards Public Safety, which includes our Contract with the Okaloosa Sheriff's Office and our internal Code Compliance department. Public Safety expenditures were \$222 thousand higher in FY 2023 than in FY 2022. The Sheriff's contract was approximately \$100 thousand higher due to labor and fuel cost increases, and the Code Compliance department was also approximately \$100 thousand higher for the same reasons.

CITY OF DESTIN, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2023

Okaloosa Half Penny Fund

The Okaloosa Half Penny Fund is the second largest governmental fund. The residents of Okaloosa County voted in a half-penny infrastructure surtax for the ten-year period beginning January 2019. Council has committed these funds to be expended on beach park acquisition and development, undergrounding overhead utilities, renewing stormwater infrastructure, and to address traffic safety issues. During FY 2023, the Okaloosa Half Penny fund balance increased \$1 million. The City is banking most of this surtax to grow the fund balance to address stormwater issues and for the Undergrounding project which is expected to break ground in FY 2024. The City received 1% more (\$12 thousand) of this sales tax in FY 2023 than FY 2022. Expenditures were \$30 thousand higher in FY 2023 than FY 2022.

Capital Projects Fund

The third major governmental fund is the Capital Projects fund. This fund accounts for financial resources that are restricted, committed, or assigned to expenditure for capital outlays. The fund balance increased 29% (\$1.7 million) from a balance of \$5.7 million at the end of FY 2022 to \$7.4 million at the end of FY 2023. Most of the fund balance (\$5.2 million) is restricted by state statutes or grant donor covenants. Revenues were 312% (\$10.3 million) higher in FY 2023 than FY 2022 due to an increase in capital grants (\$11.8 million versus \$2.1 million). Also, FY 2023 was the first full year of collections for the new 2% Electric Franchise fee restricted for undergrounding of overhead utilities, which increased the licenses and permits category by \$210 thousand above FY 2022 collections. Capital outlays were 221% higher in FY 2023 (\$9.2 million higher) as compared to FY 2022 because of the capital grants. In FY 2023, \$14.9 million was expended on beach park development (\$7 million was borrowed from the Okaloosa Tourism Development Council). The City expended \$3.6 million to purchase land towards completion of the Cross Town Connector roadway, and \$1.3 million was expended to renew aging facilities and to replace aged equipment.

CRA Town Center Special Revenue Fund

The CRA Town Center Special Revenue fund is the fourth largest governmental fund. The CRA Town Center Special Revenue fund balance increased \$700 thousand. Ad valorem tax and tax incremental financing revenues increased \$324 thousand (24%) from \$1.4 million collected in FY 2022 to \$1.7 million in FY 2023 because taxable property values in this area increased in this primarily commercial area. Expenditures increased \$185 thousand. Most of this increase was \$114 thousand grant matching funds expended to design a linear trail. Professional Services also increased to hire an outside firm to lead re-writing of the Town Center CRA Master Plan with community input.

Fiduciary funds. The City's fiduciary funds provide the same type of information found in the government-wide financial statements, but in more detail.

The Employee Thrift Plan had a restricted net position at September 30, 2023 of \$5.7 million. The total increase in net position was \$896 thousand. Most of this increase was the change in value of the portfolio, which increased \$687 thousand. The remainder is employer contributions net of withdrawals by former employees.

GENERAL FUND BUDGETARY HIGHLIGHTS

The significant variances between the adopted General Fund budget and the final General Fund budget are as follows:

- The adopted budget for revenue was adjusted during FY 2023 to account additional grants (intergovernmental revenues) awarded during the year and for prior year grant award revenue that received grant extensions. The expenditure budget was likewise increased to account for additional grant expenditures and prior year encumbrances were rolled forward.
- Actual General Fund revenues collected were nearly \$1.5 million more than the final adopted budget. Most of the unanticipated revenues were license and permit fees, particularly the categories of franchise fees and rental registration fees. The second highest contributor was investment earnings due to nation-wide interest rate increases (invested surplus funds).

CITY OF DESTIN, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2023

- Actual General Fund expenditures were \$2.5 million lower than the final adopted budget. Most of this is due to personnel shortages. The City paid only 75% of the labor hours budgeted as we were not able to keep all of the budgeted positions filled.

The significant variances between the final budget and the year-end actual results are as follows:

Revenues

The General Fund actual revenue results were \$1.5 million (8%) higher in total than budgeted, primarily attributed to the following reasons:

- License and permit fee collections were nearly \$594 thousand (15%) higher than budgeted, mostly in the subcategories of rental registration fees and franchise fees. Rental registration fees accounted for \$258 thousand of the total license and permit fee increase. Town hall meetings and a new committee discussing issues of short-term rentals has helped improve public knowledge and compliance with registration. The electric franchise fees were \$256 thousand, or 15% higher than the adopted budget. Florida Power & Light has taken over operations of Gulf Power and their rate structure and pricing is different than Gulf Power.
- Investment income came in \$244 thousand (104%) higher than budgeted. As the Federal Reserve increased interest rates, the City's operating cash in interest bearing accounts and mutual funds brought in significantly more interest earnings.
- Charges for services were \$228 thousand (49%) higher than budgeted. This is entirely attributed to an increase in parking fees that was put into effect in May as the tourist season began. Fees to park in the parking lots was increased from \$5 for 24 hours to \$15 for 24 hours. Parking is free to citizens who live in Destin City limits. The City now offers annual parking passes for non-residents for \$205.
- During FY 2023, the City received \$193 thousand more in intergovernmental revenues than was anticipated. The City budgets these revenues as they are published by the State of Florida Office of Economic and Demographic Research. Most of the unanticipated revenue was ½ cent sales tax (\$116 thousand above budget) and municipal sharing tax (\$99 thousand above budget).

Expenditures

The General Fund actual expenditure results were \$2.5 million (16%) lower in total than budgeted primarily for the following reasons:

- General Government expenditures were \$1.2 million (26%) lower than anticipated. Approximately \$548 thousand is related to staffing shortages and key positions that remained vacant for most of the year. An additional \$536 thousand was budgeted for professional services that were not encumbered. These funds were budgeted to augment staff in community development, engineering, and legal services.
- Culture and recreation is the second category with a significant difference between budget and actual expenditures. Culture and recreation actual expenditures were \$679 thousand (15%) lower than the final adopted budget. The personnel budget accounts for nearly all of the lower expenses. Our culture and recreation programs were not fully staffed the first half of FY 2023.
- Transportation expenditures were \$243 thousand lower than anticipated (12%). Personnel and operating costs were each approximately \$100 thousand less than budgeted. Labor shortages and turnover resulted in lower personnel costs. Due to staff shortage, a number of repair and maintenance projects were delayed.

Additional items of interest related to the City of Destin's budgeted expenditures:

- Sheriff's Contract: The City provides law enforcement services through a contract with the Okaloosa County Sheriff's Office. This contract provides for all patrol activities including, beach patrol, marine patrol, and investigations.

CITY OF DESTIN, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2023

- **Capital Outlays:** The City Council approved a capital improvement plan for the fiscal year 2023 budget that reflects the immediate needs of the City. The majority of capital outlays are tracked in the Capital Projects fund. These projects include improvements for public beach access, constructing an alternative route parallel to Highway 98 to access residential and commercial areas, addition of multi-modal pathways, expansion of parks and recreational amenities, and the continued work on renewing and replacing aged components of facilities and infrastructure.
- **Beach Safety Patrol:** For the eighteenth year, the Council approved funding (\$100,000 in 2023) to support the beach safety patrol operated by the Destin Fire Control District. The funding supports the labor, equipment and operational needs of the patrol activities. Okaloosa County and the Okaloosa County Tourist Development Council significantly support the beach and water safety through the Destin Fire Control District.

CAPITAL ASSETS AND DEBT ADMINISTRATION

CAPITAL ASSETS

The City's investment in capital assets for its governmental activities as of September 30, 2023, was \$139.8 million (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, machinery and equipment, park facilities, roads and sidewalks, and stormwater infrastructure. The total increase in the City's investment in capital assets for the current fiscal year was \$17.5 million or 14% overall, and is summarized as follows:

Table 4
Capital Assets
(net of accumulated depreciation)

	Governmental Activities			
	2023	2022	\$ Change	% Change
Land	\$ 51,970,597	\$ 35,304,994	\$ 16,665,603	47%
Buildings	6,268,042	6,535,992	(267,950)	-4%
Improvements other than buildings	17,355,410	15,970,158	1,385,252	9%
Infrastructure	55,920,408	56,167,575	(247,167)	0%
Machinery and equipment	3,208,552	2,909,262	299,290	10%
Library, media and art	140,940	130,651	10,289	8%
Construction in progress	4,947,197	5,303,224	(356,027)	-7%
Total capital assets	<u>\$ 139,811,146</u>	<u>\$ 122,321,856</u>	<u>\$ 17,489,290</u>	<u>14%</u>

Major capital asset events during the current year include the following:

- In partnership with the Okaloosa Tourism Development Council and the Okaloosa Board of County Commissioners, the City acquired \$14 million of land near the Tarpon Beach access trail. The City and the County are splitting the costs of the land, park design and park construction 50/50 as memorialized in an interlocal agreement.
- The Florida Department of Transportation helped the City purchase \$2.6 million of land that will become part of a local roadway connecting West Destin to East Destin as an alternative to highway 98 (cross-town connector).
- In partnership with the Okaloosa Board of County Commissioners, the City completed construction of the Captain Royal Melvin Heritage Park and Plaza on the harbor and officially opened the park in July 2023.

Additional information on the City's capital assets can be found in Note 7.

CITY OF DESTIN, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2023

LONG-TERM DEBT

At September 30, 2023, the City had total revenue notes payable of \$19 million. The majority of the City's debt represents notes secured solely by specified revenue sources (i.e. revenue notes). The City has no general obligation or special assessment debt. For general obligation debt greater than one year, the City is required to conduct a voter referendum process for approval.

Table 5
Outstanding Debt
Governmental Activities

	2023	2022	\$ Change	% Change
Revenue notes	\$ 25,290,382	\$ 21,093,561	\$ 4,196,821	20%
Financed purchases	239,042	106,708	132,334	124%
Total debt	<u>\$ 25,529,424</u>	<u>\$ 21,200,269</u>	<u>\$ 4,329,155</u>	<u>20%</u>

During 2023, the City borrowed approximately \$7 million from Okaloosa County in the form of an Advance Funding Agreement towards a the purchase of a beachfront parcel to expand a beach park. In addition, during 2023, the City entered into new financed purchase agreements as noted in Note 10.

The City has no legal debt margin requirements set forth by the City's Charter or the Florida Statutes.

Additional information on long-term debt can be found in Notes 8 through 10 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The State of Florida, by constitution, does not have a state personal income tax and therefore the State operates primarily using sales, gasoline, and corporate income taxes. Local governments (cities, counties, and school boards) primarily rely upon property and a limited array of permitted other taxes (sales, gasoline, utility service taxes) and fees (franchise, business license, permits) for their governmental activities. There are a limited number of state shared revenues and recurring and non-recurring grants from both the State and Federal government, which provide funding for specific programs, projects, or activities. For certain governmental activities (permitting, recreational programs) the user pays a related fee or charge associated with the service.

The City revenue forecast can be categorized into three major categories. The first category is recurring tax revenues, such as ad valorem and sales and use taxes. The City's ad valorem revenues have been increasing this past five years at 5-7% a year. The tax levy for FY 2024 is estimated to be over 10% higher than FY 2023. Sales and use taxes were also increasing at an average of 5% per year with the exception of FY 2020, which was down because of COVID travel restrictions and supply chain disruptions. In FY 2023, sales taxes were 1% lower than FY 2022, however, the Florida Office of Economic and Development Research projects the city will receive 6% more in FY 2024. The fuel taxes also were increasing an average of 3% a year with the exception of FY 2020. During fiscal year 2021, the sales and fuel taxes rebounded back up to the trend line, FY 2023 collections were nearly the same as FY 2022. The Florida Department of Revenue's Office of Tax Research estimates FY 2024 fuel tax collections will be 6-9% higher than FY 2023.

The second major revenue category is grants (recurring and non-recurring). The City has a strong base of approximately \$750 thousand per year in recurring operating grants for parks, the library, and transportation (median and streetlight maintenance). Capital grants are generally non-recurring. For fiscal year 2024, the City anticipates investing \$10 million into parks, roadways and stormwater infrastructure from non-recurring grants from Federal, State, and County sources. These additional one-time grants account for 14% of the adopted FY 2024 expenditure budget of \$71 million.

CITY OF DESTIN, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2023

The third largest revenue category includes miscellaneous revenues, such as charges for services, impact fees, permits, and fines. Some of these miscellaneous revenues tend to be fairly stable year over year, such as charges for services and licenses. Some of these miscellaneous revenues are very unpredictable as they depend upon development (building permits and impact fees) and national interest rates (investment income).

On the expenditure forecast side, the primary driver for increased expenditures is the capital outlays. Capital outlays are expected to increase to \$49 million, which is \$28.1 million more than the \$20.9 million expended in FY 2023. Over \$10 million (20%) of the capital expenditures are covered by grant agreements. Over \$5.7 million (12%) is covered by the Renewal & Replacement Fund and the General Fund (matching funds to grants and to bridge grant shortfalls). The remaining \$33.7 million will be covered by a combination of restricted and committed funds on hand plus new debt.

The operating expenditure forecast for FY 2024 is estimated to increase to \$22.6 million. As mentioned previously, the actual operating expenditures came in lower the past few years because of difficulty attaining and retaining full staffing levels. The largest operating expenditure is for personnel. For FY 2024 we anticipate personnel costs to be 1% higher (\$78 thousand) than anticipated for FY 2023. Contractual service is the second largest operating expenditure category, which we expect to decrease by 5% now that most departments are closer to fully staffed and trained.

The City began investing heavily in new technology to expand e-government services even before the COVID-19 pandemic. In June 2021, our e-government software "COMPASS" went live. Since offering our citizens and developers ways to attain permits and licenses online, we have cut processing time significantly. Items that previously took 40+ days to accomplish are now commonly being accomplished in 10-15 days. With faster transaction times, we are able to issue more permits and revenues are increasing. During FY 2024, the City plans to continue upgrading this technology and working with software consultants to streamline these processes.

In the fall of 2022, the City of Destin again renegotiated an interlocal agreement with the Okaloosa County Tourist Development Council (TDC) for beach park expansion. Under this new agreement, the TDC committed an additional \$8 million to develop a new park at Tarpon Beach. In addition, beginning in the fall of 2022, the TDC has dedicated \$1.5 million per year for the City of Destin for the next 20 years. These funds are restricted to developing tourism and must be applied for with an approved plan and then received on a cost reimbursement basis. Unused funds from any year can be "banked" for use in a later year.

In the fall of 2023, City Council made a motion to purchase a waterfront property in the Harbor District next to the Marler Bridge, which is one of the primary access points to the City. The General Fund will lend the funds for closing to the Harbor CRA at the start of fiscal year 2024. The Harbor CRA will repay the General Fund in the Spring of 2024 when it issues debt. The also City intends to issue debt in the Spring of 2024 to underground the overhead utilities within the Harbor CRA district, starting at the Marler Bridge. This parcel near the bridge will help the City create safer ways to get visitors from parking areas on the north side of US Highway 98 down to the south side of the highway onto the harbor where the charter boats dock and many restaurants and entertainment businesses are located.

Regional economic indicators were also considered in preparing the 2024 budget.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Finance Director, 4200 Indian Bayou Trail, Destin, Florida, 32541. The City's website address is www.cityofdestin.com.

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BASIC FINANCIAL STATEMENTS

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CITY OF DESTIN, FLORIDA

STATEMENT OF NET POSITION SEPTEMBER 30, 2023

	Governmental Activities
Assets	
Cash and cash equivalents	\$ 22,932,837
Investments	15,022,977
Restricted asset, cash and cash equivalents	9,741,457
Accounts receivable	392,607
Due from other governments	1,704,094
Prepaid items	122,045
Deposits	920
Capital assets	
Non-depreciable	56,917,794
Depreciable, net	82,893,352
Total assets	<u>189,728,083</u>
Deferred outflows of resources	
Deferred charge on refunding	53,275
Total deferred outflows of resources	<u>53,275</u>
Liabilities	
Accounts payable	559,086
Unearned revenue	1,544,195
Accrued interest	114,507
Noncurrent liabilities	
Due within one year	3,316,283
Due in more than one year	22,745,370
Total liabilities	<u>28,279,441</u>
Net position	
Net investment in capital assets	114,141,436
Restricted for	
Capital improvements	7,598,291
Debt service	342,229
Florida Building Code enforcement	342,260
Community redevelopment	730,649
Unrestricted	38,347,052
Total net position	<u>\$ 161,501,917</u>

The accompanying notes to financial statements are an integral part of this statement.

CITY OF DESTIN, FLORIDA

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

Functions/programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					Governmental Activities
General government	\$ 3,604,493	\$ 82,119	\$ -	\$ -	\$ (3,522,374)
Public safety	4,441,808	2,047,595	-	-	(2,394,213)
Physical environment	996,593	82,338	-	258,686	(655,569)
Transportation	3,587,231	835,138	199,466	3,491,891	939,264
Economic environment	244,282	-	-	45,118	(199,164)
Human services	53,466	-	-	-	(53,466)
Culture/recreation	4,589,126	517,023	671,630	8,644,542	5,244,069
Interest on long-term debt	513,582	-	-	-	(513,582)
Total governmental activities	<u>\$ 18,030,581</u>	<u>\$ 3,564,213</u>	<u>\$ 871,096</u>	<u>\$ 12,440,237</u>	<u>(1,155,035)</u>
		General revenues			
		Property taxes			12,464,569
		Sales, use and fuel taxes			2,522,425
		Communication services taxes			929,972
		Other general taxes			119,214
		Franchise taxes			3,514,832
		Unrestricted state revenue sharing			2,481,969
		Impact fees			453,374
		Investment income			578,203
		Miscellaneous income			102,444
		Total general revenues and transfers			<u>23,167,002</u>
		Change in net position			<u>22,011,967</u>
		Net position, beginning of year			<u>139,489,950</u>
		Net position, end of year			<u>\$ 161,501,917</u>

The accompanying notes to financial statements are an integral part of this statement.

CITY OF DESTIN, FLORIDA

BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2023

		Special Revenue		Debt Service			
	General Fund	CRA Town Center Fund	Okaloosa Half-Penny Fund	2023 TDC Advance Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets							
Cash and cash equivalents	\$ 13,761,681	\$ -	\$ 5,550,775	\$ -	\$ 1,732,811	\$ 1,887,570	\$ 22,932,837
Investments	15,022,977	-	-	-	-	-	15,022,977
Due from other funds	1,001,554	-	-	-	9,984	488	1,012,026
Due from other governments	473,420	-	181,223	-	1,049,451	-	1,704,094
Accounts receivable	281,698	-	-	-	110,909	-	392,607
Advance to other funds	2,361,624	-	-	-	-	-	2,361,624
Prepaid items	122,045	-	-	-	-	-	122,045
Deposits	920	-	-	-	-	-	920
Restricted cash and cash equivalents	-	1,419,550	-	-	6,893,009	1,428,898	9,741,457
Total assets	<u>\$ 33,025,919</u>	<u>\$ 1,419,550</u>	<u>\$ 5,731,998</u>	<u>\$ -</u>	<u>\$ 9,796,164</u>	<u>\$ 3,316,956</u>	<u>\$ 53,290,587</u>
Liabilities and fund balances							
Liabilities							
Accounts payable	\$ 292,966	\$ 21,673	\$ 16,995	\$ -	\$ 193,561	\$ 33,891	\$ 559,086
Unearned revenue	347,876	-	-	-	1,196,319	-	1,544,195
Due to other funds	10,472	-	-	-	1,001,554	-	1,012,026
Advance from other funds	-	2,361,624	-	-	-	-	2,361,624
Total liabilities	<u>651,314</u>	<u>2,383,297</u>	<u>16,995</u>	<u>-</u>	<u>2,391,434</u>	<u>33,891</u>	<u>5,476,931</u>
Fund balances							
Nonspendable	2,484,589	-	-	-	-	-	2,484,589
Restricted	-	-	-	-	5,152,462	1,809,861	6,962,323
Committed	12,137,934	-	5,715,003	-	2,252,268	1,473,204	21,578,409
Unassigned	17,752,082	(963,747)	-	-	-	-	16,788,335
Total fund balances	<u>32,374,605</u>	<u>(963,747)</u>	<u>5,715,003</u>	<u>-</u>	<u>7,404,730</u>	<u>3,283,065</u>	<u>47,813,656</u>
Total liabilities and fund balances	<u>\$ 33,025,919</u>	<u>\$ 1,419,550</u>	<u>\$ 5,731,998</u>	<u>\$ -</u>	<u>\$ 9,796,164</u>	<u>\$ 3,316,956</u>	<u>\$ 53,290,587</u>

The accompanying notes to financial statements are an integral part of this statement.

CITY OF DESTIN, FLORIDA

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2023**

Amounts reported for governmental activities in the statement of net position are different because:

Total fund balances - governmental funds \$ 47,813,656

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

Governmental non-depreciable assets	\$ 56,917,794	
Governmental depreciable assets	150,776,105	
Accumulated depreciation	<u>(67,882,753)</u>	139,811,146

Deferred amounts on refunding are not financial resources but are reported as a liability in the statement of net position includes these charges, net of amortization.

53,275

Certain liabilities are not due and payable in the current period and are therefore not reported in the funds.

Notes payable	(25,529,424)	
Accrued interest payable	(114,507)	
Compensated absences	(336,722)	
Total OPEB Liability	<u>(195,507)</u>	<u>(26,176,160)</u>

Net position of governmental activities

\$ 161,501,917

The accompanying notes to financial statements are an integral part of this statement.

CITY OF DESTIN, FLORIDA

**STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

		Special Revenue		Debt Service				
	General Fund	CRA Town Center Fund	Okaloosa Half-Penny Fund	2023 TDC Advance Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds	
Revenues								
Taxes	\$ 11,560,705	\$ 1,684,231	\$ 1,717,216	\$ -	\$ 244,619	\$ 820,248	\$ 16,027,019	
Licenses and permits	3,556,779	-	-	-	1,003,666	894,317	5,454,762	
Impact fees	-	-	-	-	453,374	-	453,374	
Intergovernmental revenues	3,404,404	-	-	750,000	11,783,845	-	15,938,249	
Charges for services	691,489	-	-	-	-	825,105	1,516,594	
Fines and forfeitures	107,689	-	-	-	-	-	107,689	
Investment income	479,432	9,023	31,185	-	40,819	17,744	578,203	
Contributions	5,042	-	-	-	-	-	5,042	
Miscellaneous revenues	128,584	-	-	-	-	-	128,584	
Total revenues	<u>19,934,124</u>	<u>1,693,254</u>	<u>1,748,401</u>	<u>750,000</u>	<u>13,526,323</u>	<u>2,557,414</u>	<u>40,209,516</u>	
Expenditures								
Current								
General government	3,454,008	-	-	-	-	11	3,454,019	
Public safety	3,368,239	-	-	-	-	1,016,467	4,384,706	
Physical environment	277,365	-	-	-	-	-	277,365	
Transportation	1,806,188	-	-	-	-	90,696	1,896,884	
Economic development	14,452	146,684	-	-	-	83,146	244,282	
Human services	53,466	-	-	-	-	-	53,466	
Culture and recreation	3,772,845	-	-	-	-	-	3,772,845	
Capital outlay	84,101	114,905	322,450	7,020,863	13,349,454	-	20,891,773	
Debt service								
Principal retirement	10,693	-	-	750,000	200,634	2,074,042	3,035,369	
Interest	3,423	-	-	-	9,671	508,411	521,505	
Total expenditures	<u>12,844,780</u>	<u>261,589</u>	<u>322,450</u>	<u>7,770,863</u>	<u>13,559,759</u>	<u>3,772,773</u>	<u>38,532,214</u>	
Excess (deficiency) of revenues over (under) expenditures	<u>7,089,344</u>	<u>1,431,665</u>	<u>1,425,951</u>	<u>(7,020,863)</u>	<u>(33,436)</u>	<u>(1,215,359)</u>	<u>1,677,302</u>	
Other financing sources (uses)								
Issuance of debt	29,683	-	-	7,020,863	313,978	-	7,364,524	
Transfers in	-	-	-	-	1,711,428	3,108,707	4,820,135	
Transfers out	(2,833,283)	(731,704)	(353,394)	-	(336,837)	(564,917)	(4,820,135)	
Total other financing sources, net	<u>(2,803,600)</u>	<u>(731,704)</u>	<u>(353,394)</u>	<u>7,020,863</u>	<u>1,688,569</u>	<u>2,543,790</u>	<u>7,364,524</u>	
Change in fund balances	4,285,744	699,961	1,072,557	-	1,655,133	1,328,431	9,041,826	
Fund balances (deficit), beginning of year	28,088,861	(1,663,708)	4,642,446	-	5,749,597	1,954,634	38,771,830	
Fund balances (deficit), end of year	<u>\$ 32,374,605</u>	<u>\$ (963,747)</u>	<u>\$ 5,715,003</u>	<u>\$ -</u>	<u>\$ 7,404,730</u>	<u>\$ 3,283,065</u>	<u>\$ 47,813,656</u>	

The accompanying notes to financial statements are an integral part of this statement.

CITY OF DESTIN, FLORIDA

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

Net change in fund balances – total governmental funds		\$ 9,041,826
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is depreciated over their estimated useful lives.		
Capital outlay	\$ 20,890,887	
Less current year depreciation	<u>(3,373,355)</u>	17,517,532
The net effect of various miscellaneous transactions involving capital assets (i.e. sales) is to decrease net position.		(28,242)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.		
Principal repayment of long-term debt		3,035,369
Issuance of new debt		(7,364,524)
Revenues that are reported in the statement of activities that do not create current financial resources are not reported as revenues in governmental funds.		(138,726)
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore, are not reported as expenditures in governmental funds.		
Change in compensated absences	(34,676)	
Amortization of bond premium	(6,623)	
Change in accrued interest	7,923	
OPEB expense	<u>(17,892)</u>	<u>(51,268)</u>
Change in net position of governmental activities		<u>\$ 22,011,967</u>

CITY OF DESTIN, FLORIDA

**STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Taxes	\$ 11,529,471	\$ 11,529,471	\$ 11,560,705	\$ 31,234
Licenses and permits	2,962,950	2,962,950	3,556,779	593,829
Intergovernmental revenues	2,941,375	3,211,375	3,404,404	193,029
Charges for services	452,200	463,700	691,489	227,789
Fines and forfeitures	71,500	71,500	107,689	36,189
Investment income	235,100	235,100	479,432	244,332
Contributions	1,700	1,700	5,042	3,342
Miscellaneous revenues	3,601	3,601	128,584	124,983
Total revenues	<u>18,197,897</u>	<u>18,479,397</u>	<u>19,934,124</u>	<u>1,454,727</u>
Expenditures				
Current				
General government	4,248,218	4,673,853	3,454,008	(1,219,845)
Public safety	3,532,959	3,540,743	3,368,239	(172,504)
Physical environment	312,393	384,536	277,365	(107,171)
Transportation	2,044,261	2,050,178	1,806,188	(243,990)
Economic environment	14,500	14,500	14,452	(48)
Human services	89,335	90,085	53,466	(36,619)
Culture/recreation	4,400,941	4,452,238	3,772,845	(679,393)
Capital outlay	102,450	131,654	84,101	(47,553)
Debt service				
Principal retirement	19,254	19,254	10,693	(8,561)
Interest	3,390	3,390	3,423	33
Total expenditures	<u>14,767,701</u>	<u>15,360,431</u>	<u>12,844,780</u>	<u>(2,515,651)</u>
Excess of revenues over expenditures	<u>3,430,196</u>	<u>3,118,966</u>	<u>7,089,344</u>	<u>(1,060,924)</u>
Other financing sources (uses)				
Issuance of debt	-	45,000	29,683	(15,317)
Transfers in	-	87,200	-	(87,200)
Transfers out	(3,635,128)	(3,901,969)	(2,833,283)	1,068,686
Total other financing sources (uses)	<u>(3,635,128)</u>	<u>(3,769,769)</u>	<u>(2,803,600)</u>	<u>966,169</u>
Change in fund balance	(204,932)	(650,803)	4,285,744	(94,755)
Fund balance, beginning of year	<u>28,088,861</u>	<u>28,088,861</u>	<u>28,088,861</u>	<u>-</u>
Fund balance, end of year	<u>\$ 27,883,929</u>	<u>\$ 27,438,058</u>	<u>\$ 32,374,605</u>	<u>\$ (94,755)</u>

The accompanying notes to financial statements are an integral part of this statement.

CITY OF DESTIN, FLORIDA

**STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
CRA TOWN CENTER FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Property taxes	\$ 1,684,593	\$ 1,684,593	\$ 1,684,231	\$ (362)
Investment earnings	1,100	1,100	9,023	7,923
Total revenues	<u>1,685,693</u>	<u>1,685,693</u>	<u>1,693,254</u>	<u>7,561</u>
Expenditures				
Current				
Economic development	147,980	204,848	146,684	58,164
Capital outlay	<u>920,000</u>	<u>1,110,000</u>	<u>114,905</u>	<u>995,095</u>
Total expenditures	<u>1,067,980</u>	<u>1,314,848</u>	<u>261,589</u>	<u>1,053,259</u>
Excess of revenues over expenditures	<u>617,713</u>	<u>370,845</u>	<u>1,431,665</u>	<u>1,060,820</u>
Other financing (uses)				
Transfers out	<u>(818,831)</u>	<u>(818,831)</u>	<u>(731,704)</u>	<u>87,127</u>
Total other financing (uses)	<u>(818,831)</u>	<u>(818,831)</u>	<u>(731,704)</u>	<u>87,127</u>
Change in fund balance	<u>(201,118)</u>	<u>(447,986)</u>	<u>699,961</u>	<u>1,147,947</u>
Fund balance (deficit), beginning of year	<u>(1,663,708)</u>	<u>(1,663,708)</u>	<u>(1,663,708)</u>	<u>-</u>
Fund balance (deficit), end of year	<u>\$ (1,864,826)</u>	<u>\$ (2,111,694)</u>	<u>\$ (963,747)</u>	<u>\$ 1,147,947</u>

The accompanying notes to financial statements are an integral part of this statement.

CITY OF DESTIN, FLORIDA

**STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
OKALOOSA HALF PENNY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Revenues				
Taxes	\$ -	\$ 1,390,761	\$ 1,717,216	\$ 326,455
Investment earnings	150	150	31,185	31,035
Total revenues	<u>150</u>	<u>1,390,911</u>	<u>1,748,401</u>	<u>357,490</u>
Expenditures				
Capital outlay	2,949,850	3,308,479	322,450	(2,986,029)
Total expenditures	<u>2,949,850</u>	<u>3,308,479</u>	<u>322,450</u>	<u>(2,986,029)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,949,700)</u>	<u>(1,917,568)</u>	<u>1,425,951</u>	<u>(2,628,539)</u>
Other financing sources (uses)				
Transfers in	1,390,760	-	-	-
Transfers out	(353,084)	(353,084)	(353,394)	(310)
Total other financing sources (uses)	<u>1,037,676</u>	<u>(353,084)</u>	<u>(353,394)</u>	<u>(310)</u>
Change in fund balance	<u>(1,912,024)</u>	<u>(2,270,652)</u>	<u>1,072,557</u>	<u>(2,628,849)</u>
Fund balance, beginning of year	4,642,446	4,642,446	4,642,446	-
Fund balance, end of year	<u><u>\$ 2,730,422</u></u>	<u><u>\$ 2,371,794</u></u>	<u><u>\$ 5,715,003</u></u>	<u><u>\$ (2,628,849)</u></u>

The accompanying notes to financial statements are an integral part of this statement.

CITY OF DESTIN, FLORIDA

**STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
2023 TDC ADVANCE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Intergovernmental revenues	\$ -	\$ 750,000	\$ 750,000	\$ -
Total revenues	-	750,000	750,000	-
Expenditures				
Current				
General government	150,000	150,000	-	150,000
Debt service				
Principal retirement	1,000,000	750,000	750,000	-
Capital outlay	-	7,500,000	7,020,863	479,137
Total expenditures	1,150,000	8,400,000	7,770,863	629,137
Deficiency of revenues under expenditures	<u>(1,150,000)</u>	<u>(7,650,000)</u>	<u>(7,020,863)</u>	<u>629,137</u>
Other financing sources (uses)				
Issuance of debt	30,000,000	27,500,000	7,020,863	(20,479,137)
Transfers in	1,000,000	-	-	-
Transfers out	<u>(29,850,000)</u>	<u>(19,850,000)</u>	<u>-</u>	<u>19,850,000</u>
Total other financing sources, net	1,150,000	7,650,000	7,020,863	(629,137)
Change in fund balance	-	-	-	-
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes to financial statements are an integral part of this statement.

CITY OF DESTIN, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION
PENSION TRUST FUND
SEPTEMBER 30, 2023

Assets

Cash and cash equivalents	\$ 324,573
Investments:	
Mutual Funds	<u>5,392,574</u>
Total assets	<u><u>\$ 5,717,147</u></u>

Net Position

Restricted for pension benefits	<u>\$ 5,717,147</u>
Total fund balances	<u>5,717,147</u>
 Total liabilities and fund balances	 <u><u>\$ 5,717,147</u></u>

The accompanying notes to financial statements are an integral part of this statement.

CITY OF DESTIN, FLORIDA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PENSION TRUST FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023

Additions

Employer contributions	\$ 555,592
Net investment earnings	<u>687,394</u>
Total additions	<u>1,242,986</u>

Deductions

Administration expenses	20
Benefits and other withdrawals	<u>346,879</u>
Total deductions	<u>346,899</u>

Change in net position

896,087

Fund balances, beginning of year

4,821,060

Fund balances, end of year

\$ 5,717,147

The accompanying notes to financial statements are an integral part of this statement.

CITY OF DESTIN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 1 – NATURE OF ORGANIZATION AND REPORTING ENTITY

The City of Destin, Florida (the "City") was established as a municipality on November 9, 1984. The City's original charter was enacted as Chapter 84-422, Laws of Florida, on June 25, 1984. The present charter was certified November 9, 1984 by referendum. The City operates under a Council-Manager form of government and provides the following services: public safety (law enforcement and protective inspections), transportation (road and street facilities), culture and recreation (library, community center, parks and recreation, and special events), physical environment (cemetery), and general governmental services (including planning and zoning).

As required by generally accepted accounting principles (GAAP), these financial statements present the City and its component units, entities for which the City is considered to be financially accountable. The component units are included in the City's reporting entity because of the significance of their operational or financial relationships with the City. The City is financially accountable if it appoints a voting majority of the organization's governing board and: (1) it is able to impose its will on the organization, or (2) there is a potential for the organization to provide specific financial burden on the City. Blended component units are legally separate entities, but are in substance a part of the City's operations and therefore the data from these units are combined with the data from the primary government. The City has two blended component units as described below:

- The Community Redevelopment Agency (CRA) – Town Center CRA Special Revenue Fund was established by Resolution on March 3, 1998 and is governed by the members of the City Council. Although it is legally separate from the City, the CRA is reported as part of the primary government because its sole purpose is to finance and redevelop the City's designated town center area. The CRA - Town Center is reported as a special revenue fund using the blended method. Separate financial information for the CRA - Town Center can be obtained from the City.
- The Community Redevelopment Agency (CRA) – Harbor CRA Special Revenue Fund was established by Resolution on June 3, 2003 and is governed by the members of the City Council. Although it is legally separate from the City, the CRA is reported as part of the primary government because its sole purpose is to finance and redevelop the City's designated harbor area. The CRA - Harbor is reported as a special revenue fund using the blended method. Separate financial information for the CRA - Harbor can be obtained from the City.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Measurement Focus, Basis of Accounting and Basis of Presentation

Government-Wide Financial Statements – Government-wide financial statements, including the statement of net position and statement of activities, present information about the City as a whole. These statements include the non-fiduciary financial activity of the primary government.

Government-wide financial statements are prepared using the economic resources measurement focus. The statement of activities presents a comparison between direct expenses and program revenues for each function or program of the City's governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and are thereby clearly identifiable to a particular function. Depreciation expense is allocated to the function for which the related asset is primarily used.

Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operations or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues, with certain exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function or business segment is self-financing or draws from the general revenues of the City.

CITY OF DESTIN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The effects of non-fiduciary interfund activity have been eliminated from the government-wide financial statements. However, interfund services provided and used are not eliminated in the process of consolidation.

The government-wide financial statements are prepared using the accrual basis of accounting, as are the fiduciary fund financial statements. Revenues are recognized when earned, and expenses are recognized when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized in the year for which they are levied. Revenues from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements imposed by the provider have been satisfied.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first and then unrestricted resources, as they are needed.

Fund Financial Statements – Fund financial statements report detailed information about the City in the governmental and fiduciary funds. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is reported in a separate column. Nonmajor funds are aggregated and reported in a single column. Because the focus of governmental fund financial statements differs from the focus of government-wide financial statements, a reconciliation is presented with each of the governmental fund financial statements.

Governmental fund financial statements are prepared using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when they become measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers grant revenues to be available if they are collected within six months of the end of the fiscal year. For all other revenues, the period is 60 days. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on long-term debt, compensated absences, and claims and judgments which are recognized when due. Allocations of non-cash costs, such as depreciation, are not recognized in governmental funds.

Property taxes, franchise taxes, licenses, interest and special assessments are susceptible to accrual. Sales taxes collected and held by the state at year-end on behalf of the City are also recognized as revenue. Other receipts and taxes become measurable and available when cash is received by the City and are recognized as revenue at that time.

Entitlements and shared revenues are recorded at the time of receipt or earlier if the accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

When restricted, committed, assigned, or unassigned resources are available for use in governmental fund financial statements, it is the City's policy to use restricted resources first, followed by committed, then assigned, and then unassigned resources as they are needed. Resources may be restricted by regulations (i.e. statutes and ordinances), or by covenants and agreements with external agencies such as lenders and grantors. Resources may be committed by Council resolution or motion. Resources become assigned through purchasing agreements and contracts with vendors.

The City reports the following major funds:

General Fund – This is the City's primary operating fund. This fund accounts for all financial resources of the general government, except those required to be accounted for in another fund. All general tax revenues and other receipts that are not restricted or committed by law or by contractual agreement to some other fund are accounted for in this fund. General operating expenditures, fixed charges and capital improvement costs that are not paid through other funds are paid from the General Fund.

CITY OF DESTIN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Community Redevelopment Agency – Town Center Special Revenue Fund – This fund is used to account for the proceeds of specific revenues (Tax Increment Financing Trust Funds) and the redevelopment activities relating to the City of Destin CRA Town Center.

Okaloosa Half Penny Fund – This fund is used to account for proceeds of the Okaloosa Half Penny Infrastructure Surtax. This surtax was voted in by Okaloosa County residents for the ten year period beginning January 2019. In May 2022, Council revised the committed use of these funds towards the following capital projects: 25% for land acquisition; 60% to underground overhead utilities; 10% for stormwater infrastructure; and 5% to be programmed into capital projects by the transportation and safety committee.

2023 TDC Advance Fund – This fund is used to account for the interlocal agreement between the City and Okaloosa County from Tourism Development revenues and the repayment of this liability.

Capital Projects Fund – The majority of funds that are restricted or committed to capital projects are accounted for in the Capital Projects Fund. This includes impact fees restricted to growth-necessitated capital improvements, capital project grants, and funds committed for City's annual renewal and replacement program.

Fiduciary Funds

Fiduciary funds account for assets held by the City in a trustee capacity or as an agent on behalf of others. Trust funds account for assets held by the City under the terms of a formal trust agreement.

Pension Trust Fund – This fund is accounted for using the accrual basis of accounting. The Pension Trust Fund accounts for the assets of the City's Employee Thrift Plan.

Cash and Cash Equivalents

Each fund's cash on hand, demand deposits, and short-term investments are considered cash and cash equivalents. For purposes of these statements, all highly liquid debt instruments (including restricted assets), with a maturity of three months or less when purchased, are considered to be cash equivalents.

Deposits and Investments

Cash deposits are held by banks qualified as public depositories under Florida law. All deposits are insured by Federal depository insurance and/or collateralized with securities held in Florida's multiple financial institution collateral pool as required by Chapter 280, Florida Statutes.

As governed by the Florida Statute 218 and the City's investment policy, the City is authorized to invest available surplus funds in investments including money market instruments, certificates of deposit, U.S. Treasury notes, U.S. agency bonds, mortgaged backed securities, investment grade corporate bonds, and asset backed securities. These investments may be bundled into mutual funds which hold only these types of investments or a portfolio with an investment manager that trades these types of investment instruments in a structured manner to enhance overall portfolio return. Investments are stated at the fair value on the financial statement date. U.S. Treasury notes and U.S. agency and instrumentalities obligations are valued at quoted market prices.

The City's investments and portfolio allocation is determined by the City Council by resolution adopting an investment policy. The portfolio of investments is maintained by an investment advisory firm as overseen by the Finance Director who provides a portfolio report quarterly to Council. The report provides a breakdown of the portfolio as well as its overall performance.

CITY OF DESTIN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Pension Trust Funds may invest in direct obligations of the United States Government or other obligations unconditionally guaranteed by the United States Government, collateralized interest-bearing time deposits or savings accounts in state or federal banks or savings and loan associations, bonds, or indebtedness of United States corporations rated BAA or better, stocks of U.S. corporations which are listed on the national stock exchanges (limited to 50% of the assets of the fund) and investment accounts maintained by major national banks and insurance companies given the top rating by Best.

Fair Value Measurements and Disclosures

A framework has been established for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described as follows:

- Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the City has the ability to access.
- Level 2 - Inputs to the valuation methodology include:
 - Quoted prices for similar assets or liabilities in active markets;
 - Quoted prices for identical or similar assets or liabilities in inactive markets;
 - Inputs other than quoted prices that are observable for the assets or liabilities; and
 - Inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. There have been no changes in the methodologies used at September 30, 2023.

The following is a description of the valuation methodologies used for assets measured at fair value:

Mutual funds and equities - Valued at the closing price reported on the active market in which the individual securities are traded.

Corporate and government bonds - Valued at the closing price reported on the active markets in which the individual securities are traded.

Common trust funds - Valued at the net asset value (NAV) of shares held at year-end or as determined by the investment managers.

Alternative investments - Valued at the NAV of shares held at year-end or as determined by the investment managers.

Certificates of deposit - Valued at fair value.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the City believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

CITY OF DESTIN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The City assesses the levels of the investments at each measurement date, and transfers between levels are recognized on the actual date of the event or change in circumstances that caused the transfer in accordance with its accounting policy regarding the recognition of transfers between levels of the fair value hierarchy.

Receivables and Payables

Interfund transactions are reflected as loans, services provided, reimbursements, or transfers. Loans between funds outstanding at the end of the fiscal year are referred to as either "due to other funds" or "due from other funds" (i.e., the current portion of interfund loans) or "advances" (i.e., the noncurrent portion of interfund loans). Any residual balances outstanding between governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances" and are not eliminated in the process of consolidation.

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

Services provided, deemed to be at market, or near market rates, are treated as revenues and expenditures/expenses. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund, and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide columnar presentation. All proprietary fund receivables are shown net of an allowance for uncollectibles. The City's allowance estimate is based on historical collection experience and a review of the current status of accounts receivable.

At September 30, 2023, the City considers all receivables collectible and accordingly does not have an allowance.

Property Taxes

The City's ad valorem taxes are assessed by the Okaloosa County Property Appraiser and collected by the Okaloosa County Tax Collector in accordance with Florida Statutes. The City retains the right and duty to set millage rates. Property taxes are not recorded as receivables at September 30th because, though legally assessed as of January 1st, they are not due and payable until after the close of the current fiscal year. The following is the current property tax calendar:

Lien date	January 1, 2022
Levy date	November 1, 2022
Due date	March 31, 2023
Delinquency date	April 1, 2023

Discounts of 1% for each month taxes are paid prior to March 2023 are granted. Revenue recognition criteria for property taxes under GASB requires that only property taxes expected to be collected within 60 days of the current period be accrued. Property taxes which are uncollected as of the end of the fiscal year are generally immaterial in amount and highly susceptible to uncollectibility; therefore, they are not recorded as a receivable at the balance sheet date.

Capital Assets

Expenditures for capital assets acquired or constructed for general City purposes are reported in the governmental fund that financed the acquisition or construction. The capital assets acquired are reported at cost in the government-wide statement of net position but are not reported in the governmental fund financial statements. Assets are recorded at cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at their acquisition value at the date of donation. Donated capital assets received in a service concession arrangement are reported at acquisition value.

CITY OF DESTIN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital assets are defined by the City as assets with an initial cost more than the following:

Land	All
Buildings and improvements	\$10,000
Infrastructure	\$10,000
Improvements - other	\$10,000
Equipment	\$1,000

Interest costs incurred during construction of general capital assets are not capitalized as part of the construction.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life is expensed as incurred.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	20 - 50 years
Improvements other than buildings	10 - 50 years
Machinery, equipment and vehicles	5 - 10 years
Infrastructure	20 - 40 years
Books, publications, etc.	5 - 10 years

Compensated Absences

The policy of the City for sick and vacation leave, as originally adopted on August 1, 1988, and last amended November 2, 2020, is as follows:

Sick Leave

Sick leave is earned at the rate of one day per month for full-time employees and full-time probationary employees who have completed 30 days of service.

There is no limit to the amount of sick leave that an employee may accumulate. Upon separation of employment, all accrued sick leave is forfeited; therefore, sick pay benefits that have been earned are not accrued, but rather recorded as an expenditure when used by City employees.

Vacation Leave

All full-time employees, excluding those classified as temporary, are permitted to accumulate earned but unused annual vacation leave to their account after satisfactorily completing a probationary period. Upon approval, once an employee completes their probationary period, he/she may use vacation leave as accrued. An employee can accrue up to 240 hours of vacation leave. The employee can be paid for such leave upon separation, if he/she has successfully completed the probationary period.

An employee shall accrue vacation leave based upon the number of years the employee has worked for the City. All service must be continuous to be credited toward accumulated vacation leave.

CITY OF DESTIN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Vacation leave is earned as follows:

<u>Years of Employment</u>	<u>Days Accrued per Year</u>
0 - 3 years	10
4 - 7 years	12
8 - 12 years	15
13 or more years	18

If there has been a break in service of 15 working days or more, the employee, upon reinstatement or reemployment, will begin earning annual leave as a new employee. Vacation leave is earned from the first of the month in which the employee begins work, if the starting date occurs between the first and fifteenth of the month. Employees beginning employment after the fifteenth will begin earning leave from the first day of the month following their employment.

Regular employees who resign or are terminated in good standing shall receive pay for their accrued and unused annual leave. Only a full calendar month of employment will be considered in computing vacation leave and will be based upon the employee's regular rate of pay at separation. At September 30, 2023, the City had \$314,003 recorded as accumulated vacation leave.

Compensatory Leave

Compensatory leave is accrued at one hour for every hour worked in excess of 40 for the week. Following an initial probationary period, an employee can use accumulated compensatory time as accrued. The maximum number of hours of compensatory leave that can be carried over from one calendar year to the next is 160 hours. There is no limit (other than limitations as a result of the calendar year roll-over limitation) on the number of hours of accumulated compensatory leave to be paid out to employees who resign or are terminated in good standing. All compensatory leave is liquidated in the General Fund. At September 30, 2023, the City had \$22,719 recorded as accumulated compensatory leave.

Liabilities

In the statement of net position, liabilities are classified as current and non-current. At September 30, 2023, the City had \$1,544,195 in unearned revenue recorded under current liabilities. This amount includes \$85,856 for fiscal year 2024 business licenses, \$262,290 for sidewalk infrastructure costs not yet incurred, and \$1,196,319 for the American Rescue Plan Act's State and Local Fiscal Recovery Funds received but not yet expended. These amounts have been received but have not yet been earned. They will be earned upon expenditure of a qualifying expense. If they are not expended for a qualifying expense then they must be returned.

Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary funds statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

The difference between the reacquisition price (new debt) and the net carrying value of the old debt creates a deferred gain/loss from advance refunding of debt. This difference is deferred and amortized as a component of interest expense using the bonds outstanding method over the shorter of the remaining life of the old debt or the life of the new debt. The deferred account is offset against the new liability.

CITY OF DESTIN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

In the fund financial statements, governmental fund types recognize bond premiums and discounts, gains/loss from refunding, as well as bond issuance costs during the current period. The face amount of debt issued is reported as other financing sources. Premiums and gains from refundings received on debt issuances are reported as other financing sources while discounts and losses from refundings on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Other Benefits

The Post-Employment Healthcare Benefits Plan is a single employer deferred benefit plan administered by the City. Former employees who retire from the City, and eligible dependents, may continue to participate in the City's plan for medical, and prescription drug coverage. Retirees are allowed to elect to continue with the Healthcare Benefits Plan and are required to contribute their premiums in full.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position includes a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. At September 30, 2023, the City had \$53,275 recorded as deferred charge on refunding.

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. At September 30, 2023, the City had no deferred inflows.

Fund Balance

In the fund financial statements, governmental funds report equity as fund balance. The following is a description of the City's various fund balance accounts:

Nonspendable - Amounts that are not in a spendable form (prepaid insurance and advances to other funds, for example) or are legally or contractually required to be maintained intact.

Restricted - Amounts that are constrained by external parties constitutionally, or through enabling legislation. Effectively, restrictions may be changed or lifted only with the consent of the resource provider.

Committed - Amounts that can be used only for the specific purposes determined by a formal action (resolution) of the government's highest level of decision-making authority which is the City Council. Commitments may be changed or lifted only by the government taking the same formal action (resolution) that imposed the constraint originally.

Assigned - Amounts intended to be used by the government for specific purposes. Intent can be expressed by the governing body (the City Council) or by an official or body (the City Manager) to whom the governing body delegates the authority. In governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund. At the end of each fiscal period the Council commits an amount of fund balance for encumbrances which represent outstanding purchase orders intended to be fulfilled.

Unassigned - The residual classification for the general fund and includes all amounts not contained in the other classifications. Unassigned also contains deficit fund balances for government funds other than the general fund. Unassigned amounts are technically available for any other purpose.

CITY OF DESTIN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Position

Net position in the government-wide financial statements is categorized as net investment in capital assets, restricted or unrestricted. Net investment in capital assets represents assets related to property, plant and equipment, net of any related debt. Restricted net position represents the net position restricted by external parties, constitutional provisions or enabling legislation.

Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Budgetary Information

Budgets are adopted on a basis consistent with GAAP for the current fiscal year. For the year ended September 30, 2023, annual appropriated budgets were adopted by ordinance for all governmental funds. All appropriations lapse at year-end except for appropriations encumbered by purchase orders.

The City follows these procedures to establish the budgetary data reflected in the financial statements:

1. Prior to September 1st, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following October 1st. The operating budget includes proposed expenditures and revenue sources. The City Council requires changes as deemed necessary, sets proposed millage rate, and establishes dates for tentative and final public budget hearings as prescribed by Florida Statutes.
2. Proposed budgets are advertised in a newspaper of general circulation in the City. Public hearings are conducted for the purpose of receiving input, responding to complaints, and providing reasons and explanations for intended actions to all citizens participating.
3. Prior to October 1st, the budgets for all governmental funds are legally enacted through passage of an ordinance. Budget amendments are periodically passed through resolutions during the fiscal year. Budgeted beginning fund balance in the accompanying financial statements reflects planned utilization of prior years' unassigned fund balance to the level required to accomplish current year objectives.
4. Budgetary control (the level which expenditures cannot legally exceed the appropriated amount) is maintained by the City Manager at the fund level and may be amended as necessary during the fiscal year.
5. Budgeted amounts reflected in the financial statements are originally adopted amounts as amended by the City Council or by City Manager in accordance with applicable City ordinances.
6. Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditures of resources are recorded in order to reserve that portion of the applicable appropriation, is employed in the governmental funds. Encumbrances outstanding at year-end are included in the reported components of fund balances and do not constitute expenditures or liabilities because the commitments will be appropriated and honored during the subsequent year.

CITY OF DESTIN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 3 – DEPOSITS AND INVESTMENTS

The City's investments at September 30, 2023 consist of the following:

Investments - Governmental Funds	Maturity	Rating	Fair Value
U.S. Treasuries	02/15/24-02/15/33	Aaa	\$ 5,463,961
Mortgage and asset backed securities	10/01/23-09/01/51	AA+ to AAA	7,196,808
Municipals	02/15/24-08/01/30	AA- to AAA	169,188
Investment grade corporate bonds	10/26/24-05-15-33	BBB+ to AA+	680,066
FDIC Insured certificates of deposit	09/30/23-04/13/26		1,512,954
Total investments - governmental funds			<u>\$ 15,022,977</u>

Investments - Pension Funds	Fair Value
American AMCAP Fund, Class A	\$ 438,707
American Bond Fund of America, Class A	509,700
American Capital Income Building Fund Class A	1,070,499
Europacific Growth Fund Class A	822,775
American Intermediate Bond Fund of America Class A	527,915
American Investment Company of America Class A	1,749,402
American Short-Term Bond Fund of America Class A	273,576
Total investments - pension fund	<u>\$ 5,392,574</u>

These investments are classified as Level 1.

Credit Risk

Section 218.415(17), Florida Statutes, limits investments to the State Board of Administration Local Government Surplus Funds Trust Fund, or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperative Act as provided in Section 163.01, Florida Statutes; Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency; investments in interest-bearing time deposits or savings accounts in qualified public depositories, as defined in Section 280.02, Florida Statutes; and direct obligations of the United States Treasury. The City has established an investment policy in accordance with 218.415, Florida Statutes. The investment choices are listed in the City's policy and conform to the provisions of 218.415(16). The certificates of deposits are with a wide number of qualified public depositories to ensure they are all fully insured by the FDIC.

Interest Rate Risk

Section 218.415(17), Florida Statutes, limits investment maturities to provide sufficient liquidity to pay obligations as they come due. Although it has no formal policy, the City minimizes interest rate risk by structuring investments to mature to meet future operating cash requirements and maintains significant amounts of investments in short-term securities. The average portfolio maturity shall not be more than five years.

Custodial Credit Risk

For an investment, custodial credit risk is the risk that the City will not be able to recover the value of the investments or collateral securities that are in the possession of an outside party. The City has no formal policy for custodial risk. At September 30, 2023, none of the investments listed above are exposed to custodial credit risk because their existence is not evidenced by securities that exist in physical or book entry form.

CITY OF DESTIN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 3 – DEPOSITS AND INVESTMENTS (CONTINUED)

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributable to the quantity of the government's investment in a single issuer. Investments in single issuers that equal or exceed 5% of total investments have a reportable concentration of credit risk. The City does not have a formal policy that requires diversification of the portfolio with maximum limits per investment type. At September 30, 2023, the City held 23%, 18%, 18%, 7% and 7% of its investment balance in U.S. Treasury notes, JP Morgan Money Market, Goldman Sachs Money Market, Freddie Mac, and Fannie Mae respectively.

NOTE 4 – ACCOUNTS RECEIVABLE

Accounts receivable at September 30, 2023 were as follows:

	Governmental Activities
Franchise fees	\$ 281,687
Electric franchise fee (restricted)	110,909
Other	11
	<u>\$ 392,607</u>

NOTE 5 – DUE FROM OTHER GOVERNMENTS

The amount due from other governments at September 30, 2023, were composed of the following:

	Governmental Activities
State of Florida:	
State Shared Taxes (1/2 Cent Sales Tax)	\$ 201,279
FDOT TRIP Capital Grant for Cross-Town Connector	837,554
FDEP Operating Grant Leonard Destin Park	162,528
FDOT Operating Grant for Median Maintenance via Ferrovial	3,302
FDOT Capital Grant to design Linear Trail Park	114,905
Okaloosa County:	
Tourist Development Council - Beach Operations	106,250
Tourist Development Council - Interlocal Agreement (capital project grants)	97,054
Okaloosa Half Penny Surtax (shared tax)	181,222
	<u>\$ 1,704,094</u>

CITY OF DESTIN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 6 – INTERFUND RECEIVABLES, PAYABLES, ADVANCES AND TRANSFERS

The following is a summary of Interfund payables and receivables reported in the fund financial statements.

	Receivable	Payable
General Fund	\$ 1,001,554	\$ 10,472
Florida Building Fund	488	-
Capital Project Fund	9,984	1,001,554
	<u>\$ 1,012,026</u>	<u>\$ 1,012,026</u>

The General Fund advanced funds to the CRA Town Center Special Revenue Fund to make debt service payments.

	Advance From	Advance To
General Fund	\$ 2,361,624	\$ -
CRA Town Center Special Revenue Fund	-	2,361,624
	<u>\$ 2,361,624</u>	<u>\$ 2,361,624</u>

All transfers are routine and are consistent with the activities of the funds making the transfer. The following presents the interfund transfers for the year ended September 30, 2023:

	Transfers In	Transfer Out
General Fund ⁽¹⁾	\$ -	\$ 2,833,283
CRA Town Center ⁽²⁾	-	731,704
CRA Harbor ⁽³⁾	-	479,995
Florida Building Code ⁽⁴⁾	-	84,922
Other Special Revenue Funds ⁽⁵⁾	189,484	353,394
2013 Debt Service Fund ⁽⁶⁾	554,278	-
2014 Debt Service Fund ⁽⁷⁾	731,704	-
2021 Debt Service Fund ⁽⁸⁾	1,296,404	-
Capital Project Funds ⁽⁹⁾	1,711,428	336,837
Water Quality Fund ⁽¹⁰⁾	336,837	-
	<u>\$ 4,820,135</u>	<u>\$ 4,820,135</u>

⁽¹⁾ The General Fund transferred \$1,711,428 to the capital project funds, \$554,278 to the 2013 Debt Service fund, \$463,015 to the 2021 Debt Service fund, and \$104,561 to the Technology special revenue fund.

⁽²⁾ The CRA Town Center Special Revenue fund transferred \$731,704 to the 2014 Debt Service fund to meet debt service requirements.

⁽³⁾ The CRA Harbor Special Revenue fund transferred \$479,995 to the 2021 Debt Service fund to meet debt service requirements.

⁽⁴⁾ The Florida Building Code fund transferred 10% of building permit revenue (\$84,922) to the Technology Special Revenue fund.

⁽⁵⁾ The Okaloosa Half Penny special revenue fund transferred \$353,394 to the 2021 debt service fund to meet debt service requirements. The Technology Special Revenue fund received 10% of permit and license fees in the amount of \$ 189,484 (\$84,922 from the Florida Building Code Fund and \$104,561 from the General Fund).

⁽⁶⁾ The 2013 Debt Service fund received \$554,278 from the general fund to meet debt service requirements.

⁽⁷⁾ The 2014 Debt Service fund received \$731,704 from the CRA Town Center Special Revenue fund to meet debt service requirements.

CITY OF DESTIN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 6 – INTERFUND RECEIVABLES, PAYABLES, ADVANCES AND TRANSFERS (CONTINUED)

- (8) The 2021 Debt Service fund received \$1,296,404 from the General Fund (\$463,015), the Okaloosa Half Penny special revenue fund (\$353,394), and the CRA Harbor special revenue (\$479,995) fund to meet debt service requirements.
- (9) The Capital Projects fund received \$1,711,428 from the General Fund for capital projects, and transferred out \$336,837 to establish the Water Quality Fund. The Water Quality Fund was established to track obligations of the City's Net Positive Environmental Benefit ordinance and covenants with the Florida Department of Environmental Protection with more transparency.
- (10) The Water Quality Fund received \$336,837 from the City's Capital Projects fund. A resolution was made by Council to separate the City's Net Positive Environmental Benefit fees and funds from the Florida Department of Environmental Protection that are restricted to water quality initiatives. This new fund was set up with an effective date of October 2022 (first period of fiscal year 2023).

NOTE 7 – CAPITAL ASSETS

Capital asset balances and activity for the year ended September 30, 2023 were as follows:

	Balance 09/30/2022	Additions	Deletions/ Reclassifications	Balance 09/30/2023
Governmental Activities				
Capital assets, not being depreciated:				
Land	\$ 35,304,994	\$16,665,603	\$ -	\$ 51,970,597
Construction in progress	5,303,224	2,152,279	(2,508,306)	4,947,197
Total capital assets, not being depreciated	40,608,218	18,817,882	(2,508,306)	56,917,794
Capital assets, being depreciated				
Buildings	13,018,030	68,879	-	13,086,909
Improvements other than buildings	39,590,803	2,233,413	-	41,824,216
Infrastructure	86,457,575	1,517,247	-	87,974,822
Machinery, equipment, vehicles	6,691,601	707,354	(502,898)	6,896,057
Library media and art	939,683	54,418	-	994,101
Total capital assets, being depreciated	146,697,692	4,581,311	(502,898)	150,776,105
Less accumulated depreciation for:				
Buildings	(6,482,038)	(336,829)	-	(6,818,867)
Improvements other than buildings	(23,620,645)	(848,161)	-	(24,468,806)
Infrastructure	(30,290,000)	(1,764,414)	-	(32,054,414)
Machinery, equipment, vehicles	(3,782,339)	(379,822)	474,656	(3,687,505)
Library media and art	(809,032)	(44,129)	-	(853,161)
Total accumulated depreciation	(64,984,054)	(3,373,355)	474,656	(67,882,753)
Total capital assets, being depreciated, net	81,713,638	1,207,956	(28,242)	82,893,352
Governmental activities capital assets, net	\$ 122,321,856	\$20,025,838	\$ (2,536,548)	\$ 139,811,146

CITY OF DESTIN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 7 – CAPITAL ASSETS (CONTINUED)

Depreciation expense for the year ended September 30, 2023 totaled \$3,373,355 for governmental activities and was allocated to specific functions as follows:

FUNCTION	DEPRECIATION
General government	\$ 137,307
Public safety	44,348
Physical environment	717,851
Transportation	1,678,826
Culture and recreation	795,023
Total	<u>\$ 3,373,355</u>

NOTE 8 – CHANGES IN LONG-TERM DEBT

The following is a summary of changes in long-term debt of the City for the year ended September 30, 2023:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Capital improvement refunding revenue note, series 2013	\$ 4,281,980	\$ -	\$ (424,247)	\$ 3,857,733	\$ 436,296
Town center area redevelopment refunding revenue note, series 2014	8,499,581	-	(441,795)	8,057,786	457,081
Refunding revenue note, series 2021	8,312,000	-	(1,208,000)	7,104,000	1,232,000
TDC Advanced Funding Agreement	-	7,020,863	(750,000)	6,270,863	750,000
Financed purchases	106,708	343,661	(211,327)	239,042	132,004
	<u>21,200,269</u>	<u>7,364,524</u>	<u>(3,035,369)</u>	<u>25,529,424</u>	<u>3,007,381</u>
Compensated absences	302,046	320,860	(286,184)	336,722	308,902
Other post-employment benefits liability	177,615	30,448	(12,556)	195,507	-
	<u>479,661</u>	<u>351,308</u>	<u>(298,740)</u>	<u>532,229</u>	<u>308,902</u>
	<u>\$ 21,679,930</u>	<u>\$ 7,715,832</u>	<u>\$ (3,334,109)</u>	<u>\$ 26,061,653</u>	<u>\$ 3,316,283</u>

Compensated absences and the other postemployment benefits liability are liquidated from the General Fund which pays over 95% of personnel expenditures. Financed purchases are paid out of the General Fund, Revenue Note Series 2013 is paid out of the 2013 Revenue Refunding Note Series Fund, the Notes Series 2014 is paid out of the 2014 Revenue Refunding Note Series Fund and the Note Series 2021 is paid out of the 2021 Revenue Refunding Note Series Fund. The Advanced Funding Agreement is paid out of the 2024 Advanced Funding Agreement Fund.

NOTE 9 – NOTES PAYABLE

Capital Improvement Refunding Revenue Note, Series 2013

Effective August 26, 2013, the City closed on a \$7,610,000 note payable with STI Institutional & Government, Inc. Interest payments are due semiannually on February 1 and August 1. The note carries an interest rate of 3.04%. The final payment is due on August 1, 2031.

The Capital Improvement Revenue Note, Series 2013 ordinance provides for:

- A. Refunding certain outstanding debt of the City
The net proceeds of the Series 2013 revenue note were used to refund the Capital Improvement Revenue Bonds, Series 2002.

CITY OF DESTIN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 9 – NOTES PAYABLE (CONTINUED)

- B. Pledging the pledged funds to secure payment
The communication service tax and the half-cent sales tax were both pledged to secure payment of the principal and interest.
- C. Making certain other covenants and agreements in connection therewith
The City pledged to appropriate and budget adequate funds each year to make agreed-upon payments to the lender. The City deposits one-sixth (1/6) of interest coming due and one-twelfth (1/12) of principal coming due in a debt service fund bank account. The City covenants that in the case additional parity obligations are issued, the amount of pledged revenues will not be less than 1.4 of the maximum bond service requirements coming due. This ratio was 4.85 as of September 30, 2023.

Town Center Area Redevelopment Refunding Revenue Note, Series 2014

Effective March 11, 2014, the City closed on a \$11,871,000 note payable with Compass Mortgage Corporation (BBVA). BBVA was acquired by PNC Bank in 2021. Interest payments are due semiannually on December 1 and June 1 with principal payments due on June 1. The note carries an interest rate of 3.41%. In June 2015, the note was refinanced to extend the repayment period by ten years. The final payment is due on June 1, 2037.

The Town Center Area Redevelopment Refunding Revenue Note, Series 2014 ordinance provides for:

- A. Refunding certain outstanding obligations of the Community Redevelopment Agency of the City of Destin
The net proceeds of the Series 2014 revenue note were used to refund the Town Center Area Redevelopment Revenue Bonds Series 2005.
- B. Pledging the pledged funds to secure payment
The City covenants to budget and appropriate non-ad valorem revenues to pay principal and interest. Although non-ad valorem revenues are pledged, the City is using the Town Center CRA's ad valorem tax increment revenues to make the actual payments.

Non-Ad Valorem Refunding Revenue Note, Series 2021

Effective May 21, 2021, the City closed on a \$9,905,000 note payable with Key Government Finance, Inc. Interest and principal payments are made monthly. The note carries an interest rate of 1.139% and the final payment is due March 15, 2029.

The Non-Ad Valorem Refunding Revenue Note Series 2021 ordinance provides for:

- A. Financing the Acquisition of Certain Real Property within the City to be Used to Expand Public Beach Access
The 2021 series included \$2,819,000 of new debt to assist in the acquisition of two parcels of land in the Crystal Beach area that will be used to expand public beach access. Council has committed Okaloosa Half Penny local discretionary infrastructure surtax funds to increasing public beach access, and these funds will be used to repay this portion of the debt.
- B. Refunding certain debt obligations
The 2021 series refunded the Non-Ad Valorem Refunding Revenue Note, Series 2015A which was paying 2.71% and was scheduled to mature November 1, 2029 (\$3,489,000), and the Harbor CRA Second Replacement, Series 2009 Note, As Restructured September 19, 2015 which was paying 2.84% and was scheduled to mature July 31, 2029 (\$3,597,000).
- C. Pledging certain funds to secure payment
This note is secured by the City's covenant to budget and appropriate Non-Ad Valorem Revenues and is subject to an anti-dilution test. The anti-dilution test states that net available non-ad valorem revenues should be maintained at 1.25 or higher of maximum annual debt service. This ratio was 5.96 as of September 30, 2023.

CITY OF DESTIN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 9 – NOTES PAYABLE (CONTINUED)

Okaloosa Tourism Development Council Advanced Funding Agreement 2023

In November 2022, the City closed on a property at Tarpon Beach. The Okaloosa Tourism Development Council paid the City's half of the acquisition and closing costs of \$7,020,863. In accordance with the Beach Acquisition interlocal agreement between the City of Destin and Okaloosa County amended and restated on 12/27/2022, the City shall repay this loan at the rate of \$750,000 per year until paid in full. The loan carries an interest rate of 0.0% and the final payment is due September 2032.

The advanced funding portion of this agreement provides for:

- A. Financing the Acquisition of Certain Real Property within the City to be Used to Expand Public Beach Access
The 2023 loan is to assist in the acquisition of parcels of land at Tarpon Beach that will be used to expand public beach access.
- B. Pledging certain funds to secure payment
This note is secured by Tourism Development taxes collected by Okaloosa County and approved for distribution to municipalities in accordance with an interlocal agreement. Okaloosa County borrowed from the beach renourishment reserves to provide this loan. In the event the County finds the urgent need to borrow from a commercial lender to accomplish urgent beach renourishment, the interest rate paid by the City will increase from 0% to cover the interest paid by the County to the lender.

Principal and interest amounts due on notes payable are as follows:

Year ending September 30,			
<i>TDC Advanced Funding Agreement, 2023</i>			
	Principal	Interest	Total
2024	\$ 750,000	\$ -	\$ 750,000
2025	750,000	-	750,000
2026	750,000	-	750,000
2027	750,000	-	750,000
2028	750,000	-	750,000
2029-2033	2,520,863	-	2,520,863
2043-2037	-	-	-
Subtotal	<u>\$ 6,270,863</u>	<u>\$ -</u>	<u>\$ 6,270,863</u>

Year ending September 30,			
<i>Non-Ad Valorem Refunding Revenue Note, Series 2021</i>			
	Principal	Interest	Total
2024	\$ 1,232,000	\$ 74,514	\$ 1,306,514
2025	1,236,000	60,482	1,296,482
2026	1,259,000	46,259	1,305,259
2027	1,267,000	31,886	1,298,886
2028	1,284,000	17,415	1,301,415
2029-2033	826,000	2,754	828,754
2043-2037	-	-	-
Subtotal	<u>\$ 7,104,000</u>	<u>\$ 233,310</u>	<u>\$ 7,337,310</u>

CITY OF DESTIN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 9 – NOTES PAYABLE (CONTINUED)

Year ending September 30,
Town Center Redevelopment Refunding Revenue Note, Series 2014

	Principal	Interest	Total
2024	\$ 457,081	\$ 274,771	\$ 731,852
2025	472,896	259,184	732,080
2026	489,258	243,058	732,316
2027	506,186	226,375	732,561
2028	523,700	209,114	732,814
2029-2033	2,903,162	765,013	3,668,175
2043-2037	2,705,503	234,565	2,940,068
Subtotal	<u>\$8,057,786</u>	<u>\$2,212,080</u>	<u>\$10,269,866</u>

Year ending September 30,
Capital Improvement Refunding Revenue Note, Series 2013

	Principal	Interest	Total
2024	\$ 436,296	\$ 117,275	\$ 553,571
2025	448,687	104,012	552,699
2026	461,429	90,372	551,801
2027	474,534	76,344	550,878
2028	488,011	61,918	549,929
2029-2033	1,548,776	95,044	1,643,820
2043-2037	-	-	-
Subtotal	<u>\$ 3,857,733</u>	<u>\$ 544,965</u>	<u>\$4,402,698</u>

GRAND TOTAL

	Principal	Interest	Total
2024	\$ 2,875,377	\$ 466,560	\$ 3,341,937
2025	2,907,583	423,678	3,331,261
2026	2,959,687	379,689	3,339,376
2027	2,997,720	334,605	3,332,325
2028	3,045,711	288,447	3,334,158
2029-2033	7,798,800	862,811	8,661,611
2043-2037	2,705,503	234,565	2,940,068
Subtotal	<u>\$ 25,290,381</u>	<u>\$ 2,990,355</u>	<u>\$28,280,736</u>

CITY OF DESTIN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 10 – FINANCED PURCHASE AGREEMENTS

In July 2021, the City entered into an agreement for land adjacent to City Hall as sporting fields (Morgans Sports Center). In August 2022, the agreement was extended to September 2042 and the annual payments were decreased. The present value of the future minimum payments amount was revised to \$103,376. As there is no explicit rate in the contract, the present value was calculated using the City's Weighted Average Cost of Capital (WACC) of 3.08%. The current agreement has a termination date of September 30, 2042.

In July 2022, the City entered into an agreement to use Tyler SaaS and ERP system to include an enterprise asset management system for a minimum of three years. The remaining present value of the future minimum payments was recorded in the amount of \$313,978. As there is no explicit rate in the contract, the present value was calculated using the City's WACC of 3.08%.

In June 2023, the City entered into an agreement to lease eight copy machines over 24 months, July 2023 to June 2025. The agreement was recorded at the present value of the future minimum payments \$29,683, as of the inception date. As there is no explicit rate in the contract, the present value was calculated using the City's WACC of 3.08%.

Principal and interest amounts due on are as follows:

Year ending September 30,			
	Principal	Interest	Total
2024	\$ 132,004	\$ 7,154	\$ 139,158
2025	15,400	3,091	18,491
2026	4,180	2,820	7,000
2027	4,308	2,692	7,000
2028	4,508	2,559	7,067
2029-2033	24,343	10,657	35,000
2034-2038	28,330	6,670	35,000
2039-2042	25,969	2,031	28,000
Total	<u>\$ 239,042</u>	<u>\$ 37,674</u>	<u>\$ 276,716</u>

CITY OF DESTIN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 11 – OTHER POST-EMPLOYMENT BENEFITS

Plan Description

The Plan is a single employer defined benefit plan administered by the City. Pursuant to the provisions of Section 112.0801, Florida Statutes, former employees who retire from the City, and eligible dependents, may continue to participate in the City's health and hospitalization plan for medical, and prescription drug coverage. The City implicitly subsidizes the premium rates paid by retirees by allowing them to participate in the plan at blended group premium rates for both active and retired employees. These rates provide an implicit subsidy for retirees because, on an actuarial basis, their current and future claims are expected to result in higher costs to the plan on average than those of active employees. The City does not offer any explicit subsidies for retiree coverage. Retirees are required to enroll in the Federal Medicare program for their primary coverage as soon as they are eligible.

The rates paid by the retirees eligible for Medicare are reduced by the Medicare premium. The Plan does not issue a stand-alone report, and it is not included in the report of a Public Employee Retirement System or another entity.

Funding Policy

Contribution requirements of the City and plan members are established and may be amended through action from the City Council. The City has not advance-funded or established a funding methodology for the annual Other Post-Employment Benefit (OPEB) costs or the net OPEB obligation, and the Plan is financed on a pay-as-you-go basis from primarily the General Fund. No assets are being accumulated in a GASB-compliant trust. For the fiscal year ended September 30, 2023, no retirees received post-employment health care benefits.

Employees covered by benefit terms

At September 30, 2023, the following employees were covered by the benefit terms:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	-
Inactive Plan Members or Entitled to But Not Yet Receiving Benefits	-
Active Plan Members	85
	<u>85</u>

Total OPEB Liability

The City's total OPEB liability of \$195,507 was measured as of September 30, 2023 and was determined by an actuarial valuation as of September 30, 2021.

Actuarial Assumptions and Other Inputs

The total OPEB liability was determined by an actuarial valuation as of September 30, 2021, updated to September 30, 2023, using the following actuarial assumptions:

Inflation	2.50%
Salary increases	2.50%
Discount rate	4.87%
Initial trend rate	7.50%
Ultimate trend rate	4.00%
Years to ultimate	53

Mortality rates were based on the PubG-2010 Mortality Tables projected to the valuation date using Scale MP-2019.

CITY OF DESTIN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 11 – OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Changes in the Total OPEB Liability

Total OPEB liability as of September 30, 2022	\$ 177,615
Changes for the year:	
Service cost	21,219
interest	9,229
Changes of assumptions	(1,739)
Benefit payments	(10,817)
Total changes	<u>17,892</u>
Total OPEB liability as of September 30, 2023	<u>\$ 195,507</u>

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1- percentage-point higher than the current discount rate:

	1% Decrease (3.87%)	Current Discount Rate (4.87%)	1% Increase (5.87%)
Total OPEB liability	<u>\$ 214,042</u>	<u>\$ 195,507</u>	<u>\$ 179,398</u>

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Costs Trend Rates

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage point lower or 1-percentage point higher than the current healthcare cost trend rate:

	1% Decrease (3.00% - 6.50%)	Current Discount Rate (4.00% - 7.50%)	1% Increase (5.00% - 8.50%)
Total OPEB liability	<u>\$ 174,237</u>	<u>\$ 195,507</u>	<u>\$ 220,824</u>

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended September 30, 2023, the City recognized OPEB expense of \$30,709. At September 30, 2023, the City did not report deferred outflows of resources or deferred inflows of resources related to OPEB due to using the alternative measurement method. Additionally, since the measurement date was the same as the City's fiscal year, there are no contributions subsequent to the measurement date to report.

NOTE 12 – RETIREMENT PLANS

Deferred Compensation Plan

The City offers employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan is a tax-deferred supplemental retirement program that allows City employees to contribute a portion of their salary before federal income taxes to a retirement account. The assets are held in trust for the employee's benefit. The plan participants, individually, select and make changes in funding options made available by the independent plan administrator. Since plan participants select the investment fund or funds in which their deferred compensation accounts are invested, the City has no liability for investment losses. The City's fiduciary responsibility is to administer the plan properly and to assure the investment alternatives made available are reasonable.

CITY OF DESTIN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 12 – RETIREMENT PLANS (CONTINUED)

In accordance with generally accepted accounting principles, the assets and liabilities of the plan are not reflected in the City's financial statements since the City has no fiduciary responsibilities, other than administrative, in connection with the Plan.

Employee Thrift Plan

The City established the City of Destin Employee Thrift Plan on May 1, 1987, a defined contribution plan, made available to all City employees who have attained the age of eighteen, in accordance with Internal Revenue Service Code, Section 401(a) and 501(a) as amended from time to time. The plan is administered by the City. Employees make no contributions to this plan. The City's contribution to the Plan is 7.5% of the participant's compensation for the plan year. If an employee contributes to the Deferred Compensation Plan, the City will also match the first 5% of the employee's contribution with an additional Thrift Plan contribution.

Participants vest 20% in the City's matching contribution after three years of continuous service and continue to vest at 20% per year until fully vested after seven years of continuous service. Participants are fully vested in the City's annual 7.5% non-matching contribution after 1,000 hours of service. The Plan does not issue separately audited financial statements.

Each participant's account is credited with the City's contribution and plan earnings, and charged with an allocation of administrative expenses. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

The City made all required contributions of \$555,592 during the fiscal year ended September 30, 2023. The contributions represent 10.62% of current year covered employee payroll of \$5,232,060.

NOTE 13 – COMMITMENTS AND CONTINGENCIES

Grants

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the State of Florida. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the City expects such amount, if any, to be immaterial.

Litigation and Other Matters

The City is currently defending a substantial caseload of Bert J. Harris, Jr. Private Property Rights Protection Act proceedings and has determined that any financial impact to the City would be minimal. The City is also the defendant in various claims, generally concerning development issues. In the opinion of management, any future costs associated with these claims will not have a significant adverse effect on the accompanying financial statements, and accordingly, no provision for losses has been recorded.

Risk Management

The City purchases insurance coverage through commercial insurance carriers to cover liability, workers' compensation, automobile, personal property, marine equipment and crime/fidelity risks. The City's liability and workers' compensation policies are retrospective policies that require adjusted premium calculations following the end of the policy period; however, the City does not retain any risk of loss through these coverages. All policies have been maintained for several years without reductions in coverage. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

CITY OF DESTIN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 13 – COMMITMENTS AND CONTINGENCIES (CONTINUED)

Remedies for Default

As part of notes payable and capital leases there are terms in such agreements that state if the City were to default on such agreements that all payments are to become current and equipment from leases are to be returned to the lessor.

NOTE 14 – FUND BALANCE CONSTRAINTS

The constraints on fund balance as listed in aggregate in the balance sheet for governmental funds are detailed according to balance classification and fund as follows:

											2013	2014	2021	
											Refunding	Refunding	Refunding	Total
Fund Balance	General Fund	CRA Town Center	Okaloosa Half-Penny	Capital Project Fund	CRA Harbor District	Florida Building Code	Technology	Parking	Water Quality		Revenue Note	Revenue Note	Revenue Note	Governmental Funds
Nonspendable:														
Interfund advance	\$ 2,361,624	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,361,624
Prepays and deposits	122,965	-	-	-	-	-	-	-	-	-	-	-	-	122,965
Restricted for:														
Impact fees: park, traffic, library, and police	-	-	-	2,313,445	-	-	-	-	-	-	-	-	-	2,313,445
Other agreements: NPEB, stormwater, undergrounding, gas tax#2; grants	-	-	-	2,839,017	-	-	-	-	394,723	-	-	-	-	3,233,740
Debt service	-	-	-	-	-	-	-	-	-	93,987	247,435	807	-	342,229
CRA Harbor	-	-	-	-	730,649	-	-	-	-	-	-	-	-	730,649
Florida building code enforcement	-	-	-	-	-	342,260	-	-	-	-	-	-	-	342,260
Committed for:														
Emergency operations	4,138,122	-	-	-	-	-	-	-	-	-	-	-	-	4,138,122
Debt service	3,605,098	-	-	-	-	-	-	-	-	-	-	-	-	3,605,098
Emergency maintenance	4,138,122	-	-	-	-	-	-	-	-	-	-	-	-	4,138,122
Infrastructure surtax	-	-	5,715,003	-	-	-	-	-	-	-	-	-	-	5,715,003
Renewal and replacement	-	-	-	2,252,268	-	-	-	-	-	-	-	-	-	2,252,268
Parking	-	-	-	-	-	-	-	1,030,857	-	-	-	-	-	1,030,857
Technology	-	-	-	-	-	-	442,347	-	-	-	-	-	-	442,347
Encumbrances - capital outlay	256,592	-	-	-	-	-	-	-	-	-	-	-	-	256,592
Unassigned:	17,752,082	(963,747)	-	-	-	-	-	-	-	-	-	-	-	16,788,335
Total fund balance	\$ 32,374,605	\$ (963,747)	\$ 5,715,003	\$ 7,404,730	\$ 730,649	\$ 342,260	\$ 442,347	\$ 1,030,857	\$ 394,723	\$ 93,987	\$ 247,435	\$ 807	\$ 47,813,656	

NOTE 15 – SUBSEQUENT EVENT

The City has evaluated all subsequent events through March 5, 2024 the date the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

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CITY OF DESTIN, FLORIDA

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE CITY'S TOTAL OPEB LIABILITY
AND RELATED RATIOS**

Reporting period ending	9/30/2023	9/30/2022	9/30/2021	9/30/2020	9/30/2019	9/30/2018
Service cost	\$ 21,219	\$ 22,546	\$ 19,941	\$ 20,778	\$ 15,893	\$ 16,440
Interest	9,229	4,456	4,130	6,900	6,085	5,024
Differences between expected and actual experience	-	(22,688)	-	20,020	-	-
Changes of assumptions	(1,739)	(5,775)	(5,158)	(18,085)	8,106	(6,810)
Benefit payments	(10,817)	(8,796)	(8,085)	(8,916)	(6,805)	(6,272)
Net change in total OPEB liability	17,892	(10,257)	10,828	20,697	23,279	8,382
Total OPEB liability - beginning	177,615	187,872	177,044	156,347	133,068	124,686
Total OPEB liability - ending	<u>\$ 195,507</u>	<u>\$ 177,615</u>	<u>\$ 187,872</u>	<u>\$ 177,044</u>	<u>\$ 156,347</u>	<u>\$ 133,068</u>
Covered-employee payroll	\$ 4,643,128	\$ 4,529,881	\$ 2,899,114	\$ 2,828,403	\$ 2,873,422	\$ 2,803,339
Total OPEB liability as a percentage of covered-employee payroll	4.21%	3.92%	6.48%	6.26%	5.44%	4.75%

Notes to the Schedule:

Changes of assumptions - Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following rates are used in each period:

2023	2022	2021	2020	2019	2018
<u>4.87%</u>	<u>4.77%</u>	<u>2.43%</u>	<u>2.14%</u>	<u>3.58%</u>	<u>4.18%</u>

The schedule will present 10 years of information once it is accumulated.

There are no assets being accumulated in a trust to pay related benefits for the OPEB plan.

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**COMBINING AND INDIVIDUAL NONMAJOR FUND
FINANCIAL STATEMENTS**

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CITY OF DESTIN, FLORIDA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2023

	Special Revenue Funds					Debt Service Funds			Total Nonmajor Governmental Funds
	CRA Harbor Fund	Florida Building Code Fund	Technology Fund	Parking Fund	Water Quality Fund	2013 Revenue Refunding Note Series Fund	2014 Revenue Refunding Note Series Fund	2021 Revenue Refunding Note Series Fund	
Assets									
Cash and cash equivalents	\$ -	\$ -	\$ 460,721	\$ 1,032,126	\$ 394,723	\$ -	\$ -	\$ -	\$ 1,887,570
Restricted cash and cash equivalents	732,859	353,810	-	-	-	93,987	247,435	807	1,428,898
Due from other funds	-	488	-	-	-	-	-	-	488
Total assets	<u>\$ 732,859</u>	<u>\$ 354,298</u>	<u>\$ 460,721</u>	<u>\$ 1,032,126</u>	<u>\$ 394,723</u>	<u>\$ 93,987</u>	<u>\$ 247,435</u>	<u>\$ 807</u>	<u>\$ 3,316,956</u>
Liabilities and fund balances									
Liabilities									
Accounts payable	\$ 2,210	\$ 12,038	\$ 18,374	\$ 1,269	\$ -	\$ -	\$ -	\$ -	\$ 33,891
Total liabilities	<u>2,210</u>	<u>12,038</u>	<u>18,374</u>	<u>1,269</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>33,891</u>
Fund balances									
Restricted	730,649	342,260	-	-	394,723	93,987	247,435	807	1,809,861
Committed	-	-	442,347	1,030,857	-	-	-	-	1,473,204
Total fund balances	<u>730,649</u>	<u>342,260</u>	<u>442,347</u>	<u>1,030,857</u>	<u>394,723</u>	<u>93,987</u>	<u>247,435</u>	<u>807</u>	<u>3,283,065</u>
Total liabilities and fund balances	<u>\$ 732,859</u>	<u>\$ 354,298</u>	<u>\$ 460,721</u>	<u>\$ 1,032,126</u>	<u>\$ 394,723</u>	<u>\$ 93,987</u>	<u>\$ 247,435</u>	<u>\$ 807</u>	<u>\$ 3,316,956</u>

CITY OF DESTIN, FLORIDA

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	Special Revenue Funds					Debt Service Funds			Total Nonmajor Governmental Funds
	CRA Harbor Fund	Florida Building Code Fund	Technology Fund	Parking Fund	Water Quality Fund	2013 Revenue Refunding Note Series Fund	2014 Revenue Refunding Note Series Fund	2021 Revenue Refunding Note Series Fund	
Revenues									
Taxes	\$ 820,248	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 820,248
Licenses and permits	-	894,317	-	-	-	-	-	-	894,317
Charges for services	-	-	-	769,260	55,845	-	-	-	825,105
Miscellaneous	-	-	-	-	-	-	-	-	-
Investment income	4,425	2,048	2,528	4,448	2,041	624	1,391	239	17,744
Total revenues	<u>824,673</u>	<u>896,365</u>	<u>2,528</u>	<u>773,708</u>	<u>57,886</u>	<u>624</u>	<u>1,391</u>	<u>239</u>	<u>2,557,414</u>
Expenditures									
Current									
General government	-	-	-	-	-	-	-	11	11
Public safety	-	915,677	100,790	-	-	-	-	-	1,016,467
Transportation	-	-	-	90,696	-	-	-	-	90,696
Economic environment	83,146	-	-	-	-	-	-	-	83,146
Debt Service									
Principal retirement	-	-	-	-	-	424,247	441,795	1,208,000	2,074,042
Interest	-	-	-	-	-	130,172	289,836	88,403	508,411
Total expenditures	<u>83,146</u>	<u>915,677</u>	<u>100,790</u>	<u>90,696</u>	<u>-</u>	<u>554,419</u>	<u>731,631</u>	<u>1,296,414</u>	<u>3,772,773</u>
Excess (deficiency) of revenues over (under) expenditures	<u>741,527</u>	<u>(19,312)</u>	<u>(98,262)</u>	<u>683,012</u>	<u>57,886</u>	<u>(553,795)</u>	<u>(730,240)</u>	<u>(1,296,175)</u>	<u>(1,215,359)</u>
Other Financing Sources (Uses)									
Transfers in	-	-	189,484	-	336,837	554,278	731,704	1,296,404	3,108,707
Transfers out	(479,995)	(84,922)	-	-	-	-	-	-	(564,917)
Total other financing sources (uses)	<u>(479,995)</u>	<u>(84,922)</u>	<u>189,484</u>	<u>-</u>	<u>336,837</u>	<u>554,278</u>	<u>731,704</u>	<u>1,296,404</u>	<u>2,543,790</u>
Net change in fund balance	261,532	(104,234)	91,222	683,012	394,723	483	1,464	229	1,328,431
Fund balances, beginning	<u>469,117</u>	<u>446,494</u>	<u>351,125</u>	<u>347,845</u>	<u>-</u>	<u>93,504</u>	<u>245,971</u>	<u>578</u>	<u>1,954,634</u>
Fund balances, ending	<u>\$ 730,649</u>	<u>\$ 342,260</u>	<u>\$ 442,347</u>	<u>\$ 1,030,857</u>	<u>\$ 394,723</u>	<u>\$ 93,987</u>	<u>\$ 247,435</u>	<u>\$ 807</u>	<u>\$ 3,283,065</u>

CITY OF DESTIN, FLORIDA

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
CRA HARBOR FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Taxes	\$ 825,558	\$ 825,558	\$ 820,248	\$ (5,310)
Investment earnings	500	500	4,425	3,925
Total revenues	<u>826,058</u>	<u>826,058</u>	<u>824,673</u>	<u>(1,385)</u>
Expenditures				
Current				
Economic environment	85,640	137,508	83,146	(54,362)
Capital outlay	<u>6,000,000</u>	<u>6,000,000</u>	-	<u>(6,000,000)</u>
Total expenditures	<u>6,085,640</u>	<u>6,137,508</u>	<u>83,146</u>	<u>(6,054,362)</u>
Excess of revenues over expenditures	<u>(5,259,582)</u>	<u>(5,311,450)</u>	<u>741,527</u>	<u>(6,052,977)</u>
Other financing sources (uses)				
Issuance of debt	5,950,000	5,950,000	-	(5,950,000)
Transfers out	<u>(479,995)</u>	<u>(479,995)</u>	<u>(479,995)</u>	<u>-</u>
Total other financing sources (uses)	<u>5,470,005</u>	<u>5,470,005</u>	<u>(479,995)</u>	<u>(5,950,000)</u>
Change in fund balance	210,423	158,555	261,532	102,977
Fund balance, beginning of year	469,117	469,117	469,117	-
Fund balance, end of year	<u>\$ 679,540</u>	<u>\$ 627,672</u>	<u>\$ 730,649</u>	<u>\$ 102,977</u>

CITY OF DESTIN, FLORIDA

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
FLORIDA BUILDING CODE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Licenses and permits	\$ 1,195,100	\$ 1,195,100	\$ 894,317	\$ (300,783)
Investment earnings	30	30	2,048	2,018
Total revenues	<u>1,195,130</u>	<u>1,195,130</u>	<u>896,365</u>	<u>(298,765)</u>
Expenditures				
Current				
Public safety	<u>1,203,859</u>	<u>1,209,094</u>	<u>915,677</u>	<u>(293,417)</u>
Total expenditures	<u>1,203,859</u>	<u>1,209,094</u>	<u>915,677</u>	<u>(293,417)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(8,729)</u>	<u>(13,964)</u>	<u>(19,312)</u>	<u>5,348</u>
Other financing sources (uses)				
Transfers out	<u>(119,050)</u>	<u>(119,050)</u>	<u>(84,922)</u>	<u>34,128</u>
Total other financing sources (uses)	<u>(119,050)</u>	<u>(119,050)</u>	<u>(84,922)</u>	<u>34,128</u>
Change in fund balance	<u>(127,779)</u>	<u>(133,014)</u>	<u>(104,234)</u>	<u>28,780</u>
Fund balance, beginning of year	<u>446,494</u>	<u>446,494</u>	<u>446,494</u>	<u>-</u>
Fund balance, end of year	<u><u>\$ 318,715</u></u>	<u><u>\$ 313,480</u></u>	<u><u>\$ 342,260</u></u>	<u><u>\$ 28,780</u></u>

CITY OF DESTIN, FLORIDA

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
TECHNOLOGY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Revenues				
Investment earnings	\$ 100	\$ 100	\$ 2,528	\$ 2,428
Total revenues	<u>100</u>	<u>100</u>	<u>2,528</u>	<u>2,428</u>
Expenditures				
Current				
Public safety	200,000	200,000	100,790	99,210
Total expenditures	<u>200,000</u>	<u>200,000</u>	<u>100,790</u>	<u>99,210</u>
Deficiency of revenues under expenditures	<u>(199,900)</u>	<u>(199,900)</u>	<u>(98,262)</u>	<u>101,638</u>
Other financing sources				
Transfers in	197,995	197,995	189,484	(8,511)
Total other financing sources	<u>197,995</u>	<u>197,995</u>	<u>189,484</u>	<u>(8,511)</u>
Change in fund balance	(1,905)	(1,905)	91,222	93,127
Fund balance, beginning of year	351,125	351,125	351,125	-
Fund balance, end of year	<u><u>\$ 349,220</u></u>	<u><u>\$ 349,220</u></u>	<u><u>\$ 442,347</u></u>	<u><u>\$ 93,127</u></u>

CITY OF DESTIN, FLORIDA

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
PARKING FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Charges for services	\$ 442,800	\$ 442,800	\$ 769,260	\$ 326,460
Investment earnings	44	44	4,448	4,404
Total revenues	<u>442,844</u>	<u>442,844</u>	<u>773,708</u>	<u>330,864</u>
Expenditures				
Current				
Transportation	<u>631,900</u>	<u>631,900</u>	<u>90,696</u>	<u>541,204</u>
Total expenditures	<u>631,900</u>	<u>631,900</u>	<u>90,696</u>	<u>541,204</u>
Change in fund balance	(189,056)	(189,056)	683,012	872,068
Fund balance, beginning of year	<u>347,845</u>	<u>347,845</u>	<u>347,845</u>	<u>-</u>
Fund balance, end of year	<u>\$ 158,789</u>	<u>\$ 158,789</u>	<u>\$ 1,030,857</u>	<u>\$ 872,068</u>

CITY OF DESTIN, FLORIDA

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
WATER QUALITY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Charges for services	\$ 500	\$ 500	\$ 55,845	\$ 55,345
Investment earnings	150	150	2,041	1,891
Total revenues	<u>650</u>	<u>650</u>	<u>57,886</u>	<u>57,236</u>
Expenditures				
Current				
Physical environment	21,000	21,000	-	21,000
Capital outlay	<u>150,000</u>	<u>150,000</u>	<u>-</u>	<u>150,000</u>
Total expenditures	<u>171,000</u>	<u>171,000</u>	<u>-</u>	<u>171,000</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(170,350)</u>	<u>(170,350)</u>	<u>57,886</u>	<u>228,236</u>
Other financing sources				
Transfers in	<u>350,008</u>	<u>350,008</u>	<u>336,837</u>	<u>(13,171)</u>
Total other financing sources	<u>350,008</u>	<u>350,008</u>	<u>336,837</u>	<u>(13,171)</u>
Change in fund balance	179,658	179,658	394,723	215,065
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	<u>\$ 179,658</u>	<u>\$ 179,658</u>	<u>\$ 394,723</u>	<u>\$ 215,065</u>

CITY OF DESTIN, FLORIDA

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
2013 REVENUE REFUNDING NOTE SERIES FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Investment earnings	\$ 100	\$ 100	\$ 624	\$ 524
Total revenues	100	100	624	524
Expenditures				
Debt service				
Principal retirement	412,531	412,531	424,247	(11,716)
Interest	142,713	142,713	130,172	12,541
Total expenditures	555,244	555,244	554,419	825
Deficiency of revenues under expenditures	(555,144)	(555,144)	(553,795)	1,349
Other financing sources				
Transfers in	555,245	555,245	554,278	(967)
Total other financing sources	555,245	555,245	554,278	(967)
Change in fund balance	101	101	483	382
Fund balance, beginning of year	93,504	93,504	93,504	-
Fund balance, end of year	<u>\$ 93,605</u>	<u>\$ 93,605</u>	<u>\$ 93,987</u>	<u>\$ 382</u>

CITY OF DESTIN, FLORIDA

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
2014 REVENUE REFUNDING NOTE SERIES FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Revenues				
Investment earnings	\$ 100	\$ 100	\$ 1,391	\$ 1,291
Total revenues	<u>100</u>	<u>100</u>	<u>1,391</u>	<u>1,291</u>
Expenditures				
Debt service				
Principal retirement	427,021	427,021	441,795	(14,774)
Interest	<u>304,397</u>	<u>304,397</u>	<u>289,836</u>	<u>14,561</u>
Total expenditures	<u>731,418</u>	<u>731,418</u>	<u>731,631</u>	<u>(213)</u>
Deficiency of revenues under expenditures	<u>(731,318)</u>	<u>(731,318)</u>	<u>(730,240)</u>	<u>1,078</u>
Other financing sources				
Transfers in	<u>731,418</u>	<u>731,418</u>	<u>731,704</u>	<u>286</u>
Total other financing sources	<u>731,418</u>	<u>731,418</u>	<u>731,704</u>	<u>286</u>
Change in fund balance	100	100	1,464	1,364
Fund balance, beginning of year	245,971	245,971	245,971	-
Fund balance, end of year	<u><u>\$ 246,071</u></u>	<u><u>\$ 246,071</u></u>	<u><u>\$ 247,435</u></u>	<u><u>\$ 1,364</u></u>

CITY OF DESTIN, FLORIDA

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
2021 REVENUE REFUNDING NOTE SERIES FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Investment earnings	\$ -	\$ -	\$ 239	\$ 239
Total revenues	-	-	239	239
Expenditures				
Current				
General government	-	-	11	(11)
Debt service				
Principal retirement	1,200,000	1,200,000	1,208,000	(8,000)
Interest	102,077	102,077	88,403	13,674
Total expenditures	1,302,077	1,302,077	1,296,414	5,663
Deficiency of revenues under expenditures	<u>(1,302,077)</u>	<u>(1,302,077)</u>	<u>(1,296,175)</u>	<u>5,902</u>
Other financing sources				
Transfers in	1,302,077	1,302,077	1,296,404	(5,673)
Total other financing sources	<u>1,302,077</u>	<u>1,302,077</u>	<u>1,296,404</u>	<u>(5,673)</u>
Change in fund balance	-	-	229	229
Fund balance, beginning of year	578	578	578	-
Fund balance, end of year	<u>\$ 578</u>	<u>\$ 578</u>	<u>\$ 807</u>	<u>\$ 229</u>

CITY OF DESTIN, FLORIDA

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
CAPITAL PROJECTS FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Revenues				
Taxes	\$ 264,384	\$ 264,384	\$ 244,619	\$ (19,765)
Licenses and permits	780,000	780,000	1,003,666	223,666
Impact fees	105,500	105,500	453,374	347,874
Intergovernmental revenues	9,815,405	21,665,248	11,783,845	(9,881,403)
Investment earnings	-	-	40,819	40,819
Miscellaneous revenues	3,820	3,820	-	(3,820)
Total revenues	<u>10,969,109</u>	<u>22,818,952</u>	<u>13,526,323</u>	<u>(9,292,629)</u>
Expenditures				
Capital outlay	42,121,930	31,873,042	13,349,454	(18,523,588)
Debt Service				
Principal retirement	-	200,634	200,634	-
Interest	-	9,671	9,671	-
Total expenditures	<u>42,121,930</u>	<u>32,083,347</u>	<u>13,559,759</u>	<u>(18,523,588)</u>
Deficiency of revenues under expenditures	<u>(31,152,821)</u>	<u>(9,264,395)</u>	<u>(33,436)</u>	<u>(9,230,959)</u>
Other financing sources (uses)				
Issuance of debt	-	313,978	313,978	-
Transfers in	23,488,748	13,755,589	1,711,428	(12,044,161)
Transfers out	<u>(1,350,008)</u>	<u>(350,008)</u>	<u>(336,837)</u>	<u>13,171</u>
Total other financing sources (uses)	<u>22,138,740</u>	<u>13,719,559</u>	<u>1,688,569</u>	<u>(12,030,990)</u>
Change in fund balance	(9,014,081)	4,455,164	1,655,133	(2,800,031)
Fund balance, beginning of year	5,749,597	5,749,597	5,749,597	-
Fund balance, end of year	<u><u>\$ (3,264,484)</u></u>	<u><u>\$ 10,204,761</u></u>	<u><u>\$ 7,404,730</u></u>	<u><u>\$ (2,800,031)</u></u>

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STATISTICAL SECTION

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**Net Position by Component - Last Ten Years
(Unaudited)**

Fiscal Year	Net investment in Capital Assets	Restricted	Unrestricted	Total Net Position
2023	\$ 114,141,436	\$ 9,013,429	\$ 38,347,052	\$ 161,501,917
2022	100,905,387	5,073,775	33,510,788	139,489,950
2021	98,289,498	3,852,330	29,063,467	131,205,295
2020	91,184,514	3,891,401	25,247,364	120,323,279
2019	88,840,831	2,661,941	21,378,238	112,881,010
2018	89,128,737	2,570,097	17,831,698	109,530,532
2017	90,119,716	2,075,871	14,559,323	106,754,910
2016	88,760,939	1,488,351	14,101,586	104,350,876
2015	88,804,998	735,737	13,208,165	102,748,900
2014	90,108,379	43,399	13,331,610	103,483,388

Source: City Finance Department.

Changes in Net Position - Last Ten Years
(Unaudited)

	2023	2022	2021	Fiscal Year 2020	2019
Expenses					
General government	\$ 3,604,493	\$ 3,882,608	\$ 3,583,345	\$ 4,028,182	\$ 3,695,191
Public safety	4,441,808	3,960,949	3,756,665	3,623,935	3,292,103
Physical environment	996,593	1,180,082	646,171	670,079	319,713
Transportation	3,587,231	3,377,216	2,739,207	2,866,166	3,252,517
Economic environment	244,282	129,780	1,141,935	1,152,796	1,146,463
Human services	53,466	51,604	64,531	63,494	62,808
Culture and recreation	4,589,126	4,081,335	3,476,834	2,702,912	2,323,177
Debt service interest	513,582	550,710	637,571	752,073	788,775
Total expenses	18,030,581	17,214,284	16,046,259	15,859,637	14,880,747
Program revenue					
Charges for services					
General government	82,119	295,011	64,090	601	2,457,688
Public safety	2,047,595	1,904,763	1,793,926	1,555,942	614,412
Physical environment	82,338	27,474	50,965	23,443	20,800
Transportation	835,138	500,972	505,182	178,174	140,017
Culture and recreation	517,023	465,659	347,454	331,925	401,939
Operating grants and contributions	871,096	775,474	646,998	2,082,880	734,898
Capital grants and contributions	12,440,237	2,496,372	5,192,296	197,999	43,520
Total program revenue	16,875,546	6,465,725	8,600,911	4,370,964	4,413,274
Net expense	(1,155,035)	(10,748,559)	(7,445,348)	(11,488,673)	(10,467,473)
General revenue and other changes in net position					
Property taxes	12,464,569	10,794,578	9,892,776	9,374,391	8,764,290
Other taxes	9,568,412	3,496,780	3,480,413	2,895,623	1,636,565
Other revenue	1,134,021	4,741,856	4,954,175	6,660,927	3,417,096
Special items	-	-	-	-	-
Total general revenue	23,167,002	19,033,214	18,327,364	18,930,941	13,817,951
Change in net position	22,011,967	8,284,655	10,882,016	7,442,268	3,350,478
Net position, beginning	139,489,950	131,205,295	120,323,279	112,881,010	109,530,532
Cumulative effect of change in accounting principle	-	-	-	-	-
Net position, ending	\$ 161,501,917	\$ 139,489,950	\$ 131,205,295	\$ 120,323,279	\$ 112,881,010

Source: City Finance Department.

**Changes in Net Position - Last Ten Years
(Continued) (Unaudited)**

	2018	2017	2016	Fiscal Year 2015	2014
Expenses					
General government	\$ 3,532,139	\$ 2,981,384	\$ 2,889,172	\$ 3,330,320	\$ 3,135,252
Public safety	3,908,737	4,011,135	3,535,716	3,080,103	2,721,873
Physical environment	432,132	433,283	491,154	591,383	710,134
Transportation	3,053,455	3,141,933	2,842,564	2,582,807	2,661,304
Economic environment	1,209,950	1,274,262	1,289,854	1,326,255	1,387,855
Human services	55,220	107,287	54,394	58,975	59,650
Culture and recreation	2,274,564	2,242,446	2,340,627	2,239,857	2,277,720
Debt service interest	806,526	888,752	873,117	1,132,842	1,366,317
Total expenses	15,272,723	15,080,482	14,316,598	14,342,542	14,320,105
Program revenue					
Charges for services					
General government	2,495,996	2,223,122	2,317,742	2,214,652	2,099,136
Public safety	847,202	940,221	898,725	697,452	553,710
Physical environment	46,495	79,821	14,660	21,503	7,463
Transportation	119,218	60,534	49,514	115,970	47,642
Culture and recreation	406,050	402,708	456,828	421,704	337,804
Operating grants and contributions	1,407,851	2,450,238	1,727,351	197,614	373,317
Capital grants and contributions	30,544	70,120	42,081	203,334	126,767
Total program revenue	5,353,356	6,226,764	5,506,901	3,872,229	3,545,839
Net expense	(9,919,367)	(8,853,718)	(8,809,697)	(10,470,313)	(10,774,266)
General revenue and other changes in net position					
Property taxes	8,179,225	7,761,152	6,844,994	6,443,596	6,090,326
Other taxes	1,669,159	1,623,261	1,583,815	1,530,492	1,537,513
Other revenue	1,907,549	1,873,339	1,982,864	1,761,737	1,573,651
Special items	-	-	-	-	(1,750,000)
Total general revenue	11,755,933	11,257,752	10,411,673	9,735,825	7,451,490
Change in net position	1,836,566	2,404,034	1,601,976	(734,488)	(3,322,776)
Net position, beginning	106,754,910	104,350,876	102,748,900	103,483,388	106,806,164
Cumulative effect of change in accounting principle	939,056	-	-	-	-
Net position, ending	\$ 109,530,532	\$ 106,754,910	\$ 104,350,876	\$ 102,748,900	\$ 103,483,388

Source: City Finance Department.

**Fund Balances Governmental Fund - Last Ten Years
(Unaudited)**

	Fiscal Year				
	2023	2022	2021	2020	2019
General Fund					
Nonspendable	\$ 2,484,589	\$ 2,581,252	\$ 2,561,841	\$ 2,451,337	\$ 2,448,824
Restricted	-	-	-	3,247,659	2,584,256
Committed	12,137,934	13,683,891	10,084,733	8,411,205	10,129,498
Assigned	-	323,611	376,587	2,964,171	1,213,592
Unassigned	17,752,082	11,500,107	13,296,275	14,449,613	10,040,295
Total	\$ 32,374,605	\$ 28,088,861	\$ 26,319,436	\$ 31,523,985	\$ 26,416,465
All other governmental funds					
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	6,962,323	5,073,775	3,852,330	643,742	77,685
Committed	9,440,475	6,739,436	4,655,060	-	-
Assigned	-	533,466	2,535,604	44,332	329,948
Unassigned	(963,747)	(1,663,708)	(3,846,516)	(2,390,520)	(2,231,153)
Total all other governmental funds	\$ 15,439,051	\$ 10,682,969	\$ 7,196,478	\$ (1,702,446)	\$ (1,823,520)

Source: City Finance Department.

**Fund Balances Governmental Fund - Last Ten Years
(Continued) (Unaudited)**

	Fiscal Year				
	2018	2017	2016	2015	2014
General Fund					
Nonspendable	\$ 2,469,019	\$ 2,999,624	\$ 2,802,335	\$ 1,980,893	\$ 1,879,620
Restricted	2,480,877	1,977,027	1,373,526	1,216,046	1,098,945
Committed	9,657,663	9,674,570	10,340,837	11,071,545	10,276,708
Assigned	672,226	1,625,986	1,118,384	328,889	684,591
Unassigned	7,526,416	3,626,528	2,905,348	1,848,403	1,743,576
Total	\$ 22,806,201	\$ 19,903,735	\$ 18,540,430	\$ 16,445,776	\$ 15,683,440
All other governmental funds					
Nonspendable	\$ 88	\$ -	\$ -	\$ 68	\$ -
Restricted	89,220	98,844	114,825	884,473	151,914
Committed	-	-	-	-	74,256
Assigned	279,391	255,797	276,444	345,855	633,953
Unassigned	(2,240,233)	(2,142,360)	(1,979,433)	(2,462,082)	(1,835,073)
Total all other governmental funds	\$ (1,871,534)	\$ (1,787,719)	\$ (1,588,164)	\$ (1,231,686)	\$ (974,950)

Source: City Finance Department.

**Changes in Fund Balances Governmental Funds - Last Ten Years
(Unaudited)**

	Fiscal Year				
	2023	2022	2021	2020	2019
Revenue					
Taxes	\$ 16,027,019	\$ 14,291,359	\$ 13,373,189	\$ 12,270,014	\$ 12,309,961
Licenses and permits	5,454,762	5,008,309	3,779,441	3,342,590	1,079,465
Impact fees	453,374	132,605	590,174	456,051	160,720
Intergovernmental	15,938,249	5,586,955	8,053,048	4,050,502	3,494,078
Charges for services	1,516,594	1,289,082	937,122	513,137	512,089
Fines and forfeitures	107,689	56,135	79,829	106,750	28,981
Investment income	578,203	(1,078,214)	19,983	471,977	506,164
Contributions	5,042	37,479	1,867	4,035	6,871
Miscellaneous income (loss)	128,584	36,503	50,972	9,058	132,896
Total revenue	40,209,516	25,360,213	26,885,625	21,224,114	18,231,225
Expenditures					
General government	3,454,019	3,640,884	3,403,184	3,935,334	3,542,238
Public safety	4,384,706	3,924,721	3,752,995	3,408,341	3,061,601
Physical environment	277,365	452,211	142,017	27,374	31,346
Transportation	1,896,884	1,589,395	1,663,328	1,925,723	1,924,802
Economic environment	244,282	129,781	107,900	130,173	105,720
Human services	53,466	51,604	64,531	63,494	62,808
Culture and recreation	3,772,845	3,292,184	2,854,316	2,237,953	1,909,794
Capital outlay	20,891,773	4,369,267	11,160,364	1,937,657	1,607,301
Debt service					
Principal	3,035,369	2,122,863	9,318,692	1,622,596	1,533,487
Interest	521,505	555,409	717,941	745,697	793,850
Investment loss	-	-	-	-	-
Total expenditures	38,532,214	20,128,319	33,185,268	16,034,342	14,572,947
Excess (deficiency) of revenue over expenditures	1,677,302	5,231,894	(6,299,643)	5,189,772	3,658,278
Other financing sources (uses)					
Transfers in	4,820,135	4,676,350	29,587,639	2,255,374	4,171,759
Transfers out	(4,820,135)	(4,676,350)	(29,587,639)	(2,255,374)	(4,171,759)
Issuance of debt	-	-	-	-	-
Proceeds of debt issuance	7,020,863	-	9,905,000	-	-
Debt service principal	-	-	-	-	-
Lease proceeds	343,661	24,021	89,019	38,422	-
Non-operating loss	-	-	-	-	-
Total other financing sources (uses)	7,364,524	24,021	9,994,019	38,422	-
Special item - Settlement	-	-	-	-	-
Net change in fund balance	\$ 9,041,826	\$ 5,255,915	\$ 3,694,376	\$ 5,228,194	\$ 3,658,278
Debt service as a percentage of noncapital expenditures	20.2%	17.0%	45.6%	16.8%	18.0%

Source: City Finance Department.

Changes in Fund Balances Governmental Funds - Last Ten Years
(Continued) (Unaudited)

	Fiscal Year				
	2018	2017	2016	2015	2014
Revenue					
Taxes	\$ 11,766,912	\$ 11,192,022	\$ 10,316,957	\$ 9,891,235	\$ 9,429,663
Licenses and permits	1,008,548	930,187	885,870	674,131	597,505
Impact fees	671,922	801,424	446,936	280,494	268,840
Intergovernmental	2,889,811	3,734,054	3,232,561	1,819,128	1,674,915
Charges for services	568,635	525,860	568,018	509,159	462,224
Fines and forfeitures	44,278	46,812	47,238	114,111	49,229
Investment income	20,654	59,756	256,010	222,593	-
Contributions	8,608	24,772	22,848	34,839	99,975
Miscellaneous income (loss)	131,376	169,629	142,136	62,364	166,802
Total revenue	17,110,744	17,484,516	15,918,574	13,608,054	12,749,153
Expenditures					
General government	3,398,890	2,853,328	2,747,954	3,489,939	2,951,776
Public safety	2,779,558	2,610,831	2,410,183	2,107,835	1,768,098
Physical environment	88,226	90,710	148,581	248,810	379,218
Transportation	1,824,192	1,885,837	1,681,535	1,472,935	1,544,311
Economic environment	123,024	163,637	176,210	216,503	209,632
Human services	55,220	107,287	54,394	58,975	59,650
Culture and recreation	1,872,829	1,858,739	1,976,500	1,927,771	1,949,815
Capital outlay	1,877,832	4,762,510	3,075,354	1,642,819	1,581,816
Debt service					
Principal	1,485,956	1,417,449	1,087,340	901,028	1,374,432
Interest	836,554	874,429	822,369	1,083,667	1,562,813
Investment loss	-	-	-	-	1,824
Total expenditures	14,342,281	16,624,757	14,180,420	13,150,282	13,383,385
Excess (deficiency) of revenue over expenditures	2,768,463	859,759	1,738,154	457,772	(634,232)
Other financing sources (uses)					
Transfers in	6,343,303	3,907,488	2,971,389	1,563,616	3,730,001
Transfers out	(6,343,303)	(3,907,488)	(2,971,389)	(1,563,616)	(3,730,001)
Issuance of debt	50,188	303,991	-	-	(12,900,000)
Proceeds of debt issuance	-	-	-	5,427,000	-
Debt service principal	-	-	-	(5,379,150)	-
Lease proceeds	-	-	-	-	11,871,000
Non-operating loss	-	-	-	-	119,229
Total other financing sources (uses)	50,188	303,991	-	47,850	(909,771)
Special item - Settlement	-	-	-	-	(1,750,000)
Net change in fund balance	\$ 2,818,651	\$ 1,163,750	\$ 1,738,154	\$ 505,622	\$ (3,294,003)
Debt service as a percentage of noncapital expenditures	18.6%	19.3%	17.2%	17.2%	24.9%

Source: City Finance Department.

City of Destin, Florida

Revenue Base - Last Ten Years
(Unaudited)

Fiscal Year	Real Property	Personal Property	Total Taxable Assessed Value	Total Direct Tax Rate	95% Budgeted for Operations
2023	\$ 6,858,730,342	\$ 108,747,526	\$ 6,967,477,868	1.6150	\$ 10,689,853
2022	5,980,379,074	102,386,732	6,082,765,806	1.6150	9,332,483
2021	5,586,981,183	99,760,236	5,686,741,419	1.6150	8,724,883
2020	5,289,909,655	100,875,258	5,390,784,913	1.6150	8,270,812
2019	4,940,251,366	96,041,092	5,036,292,458	1.6150	7,726,932
2018	4,637,572,095	94,406,296	4,731,978,391	1.6150	7,260,038
2017	4,419,401,166	88,815,805	4,508,216,971	1.6150	6,916,732
2016	4,202,250,899	83,206,674	4,285,457,573	1.6150	6,574,963
2015	3,953,775,213	77,212,445	4,030,987,658	1.5000	5,744,157
2014	3,738,671,838	78,140,476	3,816,812,314	1.5000	5,438,958

Source: Okaloosa County Property Appraiser DR-422 lines 1 and 2.

Adjusted when DR-403 Final Taxable Value is submitted to City by the Property Appraiser.

**Property Tax Rates Per \$1,000 of Taxable Value
All Direct and Overlapping Governments - Last Ten Years
(Unaudited)**

Fiscal Year	Direct Rate	Indirect Rate				Total Overlapping Rates	Total Direct and Overlapping Rates
	City of Destin	Destin Fire District	Okaloosa County	Okaloosa School Board	Northwest Florida Water District		
2023	1.61500	1.00000	3.83080	5.47700	0.02340	10.33120	11.94620
2022	1.61500	1.00000	3.83080	5.57900	0.02610	10.43590	12.05090
2021	1.61500	1.00000	3.83080	5.94300	0.02940	10.80320	12.41820
2020	1.61500	1.00000	3.83080	6.03500	0.03110	10.89690	12.51190
2019	1.61500	1.00000	3.83080	6.20600	0.03270	11.06950	12.68450
2018	1.61500	1.00000	3.83080	6.36100	0.03380	11.22560	12.84060
2017	1.61500	1.00000	3.83080	6.58800	0.03530	11.45410	13.06910
2016	1.61500	1.00000	3.43080	6.90700	0.03660	11.37440	12.98940
2015	1.50000	1.00000	3.43080	7.55100	0.04000	12.02180	13.52180
2014	1.50000	1.00000	3.43080	7.44100	0.03900	11.91080	13.41080

As of levy date, November 1 of each year listed.

Source: <https://okaloosapa.com/wp-content/uploads/sites/29/2023/10/2023-Final-Millage.pdf>

Principal Taxpayers - Current Year and Ten Years Ago
(Unaudited)

Taxpayer	September 30, 2023			Taxpayer	September 30, 2014		
	Taxable Assessed Value	Rank	Percent of City's Total Taxable Value		Taxable Assessed Value	Rank	Percent of City's Total Taxable Value
WCW OLYMPUS DESTIN LLC	\$ 72,079,342	1	1.03%	EMERALD GRANDE LLC	\$ 58,515,920	1	1.55%
DRH HBR OWNER LLC	65,457,416	2	0.94%	AHB APARTMENTS LLC	21,073,921	2	0.56%
PASSCO SEA GLASS DST	60,653,929	3	0.87%	DRB DEVELOPMENT LLC	13,744,900	3	0.36%
BR HENDERSON BEACH LLC	48,700,842	5	0.70%	DUNAVANT GULF LLC	11,306,189	4	0.30%
DESTIN COMMONS LTD	61,215,055	4	0.88%	PARADISE ISLE DESTIN LLC	10,757,300	5	0.29%
PASSO LEGACY DST	57,271,194	6	0.82%	WYNDHAM VACATION RESORTS	8,023,200	6	0.21%
EMERALD GRANDE INC	49,676,280	7	0.71%	SHANRI HOLDINGS CORP	7,346,230	7	0.19%
FLORIDA POWER & LIGHT CO.	47,181,255	8	0.68%	CRYSTAL BEACH PLAZA LLC	7,046,083	8	0.19%
ARRIS DESTIN RETAIL LLC	41,982,793	9	0.60%	BLASBICHLER H D AGREEMENT	6,896,447	9	0.18%
HENDERSON BEACH PARTNERS LLC	32,504,203	10	0.47%	CLUB DESTIN RESORT	6,656,000	10	0.18%
Total Principal Taxpayers	<u>\$ 536,722,309</u>		<u>7.70%</u>		<u>\$ 151,366,190</u>		<u>4.02%</u>
Total Tax Value of Other	<u>\$ 6,430,755,559</u>		<u>92.30%</u>		<u>\$ 3,616,172,601</u>		<u>95.98%</u>
Total Taxable Assessed Value	<u>\$ 6,967,477,868</u>		<u>100.00%</u>		<u>\$ 3,767,538,791</u>		<u>100.00%</u>

Source: Okaloosa County Property Appraiser.

Property Tax Levies and Collections - Last Ten Years
(Unaudited)

Fiscal Year Ended September 30,	Taxes Levied For the Calendar Year*	Collected within the Calendar Year of the Levy		Collections of Delinquent Taxes	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2023	\$ 10,689,853	\$ 10,801,654	101.05%	\$ 70,797	\$ 10,872,451	101.71%
2022	9,332,483	9,482,098	101.60%	-	9,482,098	101.60%
2021	8,724,883	8,827,350	101.17%	54,971	8,882,321	101.80%
2020	8,270,812	8,430,713	101.93%	3,561	8,434,274	101.98%
2019	7,726,932	7,879,410	101.97%	4,613	7,884,023	102.03%
2018	7,260,038	7,405,759	102.01%	1,809	7,407,568	102.03%
2017	6,916,732	7,031,699	101.66%	4,122	7,035,821	101.72%
2016	6,574,963	6,211,296	94.47%	3,797	6,215,093	94.53%
2015	5,744,157	5,842,418	101.71%	10,172	5,852,590	101.89%
2014	5,438,958	5,530,911	101.69%	54,974	5,585,885	102.70%

*Assumes full discount taken for early payment of taxes (maximum of 5%).

Source: DR-422 forms certified by Okaloosa County Tax Collector.

**Ratios of Outstanding Debt (Bonds and Notes) - Last Ten Years
(Unaudited)**

Fiscal Year Ended September 30,	2005B Florida Municipal Loan Council Revenue Bonds	2009 CRA Harbor Revenue Note (Restructured 2015)	2013 Capital Improvement Revenue Note	2014 CRA Town Center Revenue Refunding Note Series	2015 Revenue Refunding Note Series
2023	\$ -	\$ -	\$ 3,857,733	\$ 8,057,786	\$ -
2022	-	-	4,281,980	8,499,581	-
2021	-	-	4,694,511	8,926,602	-
2020	-	3,986,827	5,095,650	9,339,342	4,035,000
2019	-	4,429,808	5,485,711	9,738,279	4,379,000
2018	-	4,770,168	5,865,001	10,123,875	4,714,000
2017	-	5,096,625	6,233,816	10,496,575	5,039,000
2016	-	5,409,749	6,592,446	10,856,811	5,359,000
2015	-	5,709,446	6,941,172	11,205,000	5,427,000
2014	5,800,000	5,997,542	7,280,268	11,205,000	-

Note: Detail regarding the community redevelopment districts' outstanding debt can be found in the notes to the financial statements.

Ratios of Outstanding Debt (Bonds and Notes) - Last Ten Years
(Continued) (Unaudited)

Fiscal Year Ended September 30,	2021 Revenue Refunding Note Series	2023 County Advance Funding Agreement	Financed Purchases	Total Revenue Bonds and Notes and Capital Leases	Percentage of Personal Income	Per Capita
2023	\$ 7,104,000	\$ 6,270,863	\$ 239,043	\$ 25,529,425	3.01%	1,749
2022	8,312,000	-	106,708	21,200,269	2.74%	1,465
2021	9,512,000	-	165,998	23,299,111	3.21%	1,639
2020	-	-	166,965	22,625,804	3.25%	1,624
2019	-	-	175,160	24,207,958	3.97%	1,801
2018	-	-	268,401	25,741,445	4.50%	1,937
2017	-	-	311,197	27,177,213	5.12%	2,072
2016	-	-	72,665	28,290,671	5.47%	2,193
2015	-	-	95,393	29,378,011	6.00%	2,308
2014	-	-	119,229	30,402,039	6.18%	2,424

City of Destin, Florida
Direct and Overlapping Governmental Activities Debt
As of September 30, 2023
(Unaudited)

Jurisdiction	Net Debt Outstanding	Estimated Percentage Applicable to City of Destin ⁽¹⁾	Estimated Amount Applicable to City of Destin
Debt repaid with property taxes:			
Okaloosa County	\$ 97,270,367	29%	\$ 28,145,452
Okaloosa School Board ⁽²⁾	218,476,566	26%	56,439,287
Destin Fire District	-	84%	-
Northwest Florida Water District	-	29%	-
Subtotal, overlapping debt			<u>84,584,740</u>
City of Destin			<u>25,529,425</u>
Total direct and overlapping debt			<u><u>\$ 110,114,165</u></u>

⁽¹⁾ Based on ratio of assessed taxable value.

⁽²⁾ The Okaloosa School Board debt outstanding is as of June 30, 2022.

SOURCE: Okaloosa County, Florida Accounting Division and the School Board of Okaloosa County.

Note: Overlapping governments are those that coincide, at least in part, with geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the property taxpayers of the City of Destin. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the property taxpayers should be taken into account.

City of Destin, Florida

**Demographic and Economic Statistics
Last Ten Fiscal Years
(Unaudited)**

Fiscal Year	Population ⁽¹⁾	Per Capita Income ⁽²⁾	Total Personal Income	Unemployment Rate ⁽³⁾
2023	14,594	\$58,082	\$ 847,648,708	3.00%
2022	14,472	53,557	775,081,969	3.00%
2021	14,217	51,007	725,166,519	2.90%
2020	13,931	49,909	695,282,279	2.80%
2019	13,441	45,324	609,199,884	2.30%
2018	13,289	43,086	572,569,854	2.40%
2017	13,116	40,465	530,738,940	3.80%
2016	12,898	40,065	516,758,370	4.50%
2015	12,730	38,450	489,468,500	4.50%
2014	12,541	39,252	492,259,332	4.50%

⁽¹⁾ Furnished by the Bureau of Economic and Business Research.

⁽²⁾ Furnished by the U.S. Census Bureau - Quick Facts.

⁽³⁾ Furnished by the Bureau of Labor Statistics.

Demographics
(Unaudited)

2023

Land area (miles)	
Square miles incorporated	7.53
Land	6.78
Water	0.75
Gulf-front	6.60
Bay-front	5.81
City maintained streets	66.23
Paved	66.23
Unpaved	0.00
Estimated population	
Year-round	14,594
Seasonal-peak	100,000
Gender composition	
Female	47.5%
Male	52.5%
Racial composition	
White	86.2%
Hispanic	8.0%
Black	3.9%
American Indian	0.1%
Asian	0.8%
Other	1.0%
Median household income	\$86,777
Median earnings for full-time year-round workers	\$54,370
Number of households	13,728
Households with homestead exemption	3,626
Unemployment rate	2.80%

Source: City of Destin census FY2020, Bureau of Labor Statistics for Crestview-Fort Walton Beach-Destin, Destin Chamber of Commerce, and Okaloosa Tax Collector.

Note: Information has not significantly changed for last ten years.

City of Destin, Florida

Principal Employers - Current Year
and Nine Years Ago
(Unaudited)

Employer	September 30, 2023				September 30, 2014		
	Approximate Range of Numbers of Employees	Rank	Percent of City's Estimated Population		Approximate Range of Numbers of Employees	Rank	Percent of City's Estimated Population
Walmart Supercenter	450	1	3.1%	ResortQuest International, Inc	1000-1300	1	10.0%
Big Kahuna's Water & Adventure Park	300	2	2.1%	A J's Seafood and Oyster House	100-249	2	1.00%
McGuire's Irish Pub of Destin	200	3	1.4%	Crab Trap	100-249	3	1.00%
The Home Depot	200	4	1.4%	Cracker Barrel	100-249	4	1.00%
Destination Health & Rehabilitation	160	5	1.1%	Destin Healthcare and Rehabilitation	100-249	5	1.00%
Destin Fire Control District	150	6	1.0%	Harbor Docks	100-249	6	1.00%
AJ's Seafood & Oyster Bar	150	7	0.8%	Charter Boat's	100-249	7	1.00%
Target	150	8	1.0%	Holiday Inn	100-249	8	1.00%
Whole Foods Market	120	9	0.8%	Lucky Snapper Grill & Bar	100-249	9	1.00%
Harbor Docks	120	10	0.8%	Track Recreation Center	100-249	10	1.00%
Total			<u>13.43%</u>	Total			<u>19.00%</u>

SOURCE: Okaloosa County Economic Development Council (One Okaloosa).

City Employees - Last Five Years
(Unaudited)

1 FTE = 2080 hours/year

	2023	2022	Fiscal Year 2021	2020	2019
City Manager's Office					
City Manager	1.00	1.00	1.00	1.00	1.00
Deputy City Manager	1.00	1.00	1.00	1.00	1.00
Sr Administrative Professional	1.00	1.00	1.00	1.00	1.00
Public Information Manager	1.00	1.00	1.00	1.00	1.00
Grants Projects Manager	1.00	1.00	1.00	1.00	-
Public Information Intern	0.73	-	-	-	-
Receptionist (2 PT @29 hours/week)	1.45	1.45	1.45	1.45	1.45
Subtotal	7.18	6.45	6.45	6.45	5.45
City Clerk's Office					
City Clerk	1.00	1.00	1.00	1.00	1.00
Deputy City Clerk	1.00	1.00	1.00	1.00	1.00
Records Technician	1.00	1.00	1.00	1.00	1.00
Subtotal	3.00	3.00	3.00	3.00	3.00
Finance & Budget					
Finance Director	0.90	1.00	1.00	1.00	1.00
Accountant	0.90	1.00	1.00	1.00	1.00
Accounting Clerk (AP)	0.90	1.00	1.00	0.50	0.50
Payroll Accounting Clerk	0.90	-	-	-	-
Accounting Clerk	0.90	-	-	-	-
Intern Finance	0.65	-	-	-	-
Subtotal	5.15	3.00	3.00	2.50	2.50
Human Resources					
HR/Risk Manager	1.00	1.00	1.00	1.00	1.00
HR the best Specialist	1.00	0.73	0.73	0.73	0.73
Subtotal	2.00	1.73	1.73	1.73	1.73
Facilities					
Maintenance Technician - Facilities	2.00	2.00	2.00	2.00	2.00
Maintenance Technician - Custodian	1.00	1.00	1.00	1.00	1.00
Subtotal	3.00	3.00	3.00	3.00	3.00
Community Development Office					
Community Development Director	0.67	0.67	0.67	1.00	1.00
Administrative Assistant	0.75	0.75	0.50	1.00	1.00
Principal Planner	1.00	1.00	1.00	1.00	1.00
Senior Planner	1.00	1.00	1.00	1.00	1.00
Planner	3.00	3.00	3.00	3.00	3.00
Geographic Information Systems Manager	1.00	1.00	1.00	1.00	1.00
Business Tax License Clerk	1.00	1.00	1.00	-	-
Subtotal	8.42	8.42	8.17	8.00	8.00
Information Technology					
IT Director	1.00	1.00	1.00	1.00	1.00
System Administrator	1.00	1.00	1.00	1.00	1.00
Geographic Information Systems Manager					
Systems Network Specialist	1.00	1.00	1.00	1.00	-
Subtotal	3.00	3.00	3.00	3.00	2.00
SUBTOTAL GENERAL GOVERNMENT	31.74	28.59	28.34	27.68	25.68

City Employees - Last Five Years
(Unaudited)

1 FTE = 2080 hours/year

	Fiscal Year				
	2023	2022	2021	2020	2019
Public Safety					
Crossing Guards (3 PT Seasonal)	0.90	0.90	0.90	0.90	0.90
Subtotal	0.90	0.90	0.90	0.90	0.90
Code Compliance					
Code Compliance Director	0.90	0.90	0.90	1.00	1.00
Code Compliance Deputy Director	0.90	0.90	0.90	-	-
Harbor Compliance Officer	0.90	0.90	0.90	1.00	1.00
Code Compliance Officers	5.15	5.15	3.61	5.50	5.00
Administrative assistant	0.90	0.90	0.90	1.00	1.00
Subtotal	8.75	8.75	7.21	8.50	8.00
Emergency Management					
Emergency Management Director	0.20	-	-	-	-
Subtotal	0.20	-	-	-	-
Florida Building Code Enforcement (Building Inspections)					
Physical Environ/Stormwater allocation	-	-	1.00	1.00	1.00
Building Official	1.00	1.00	1.00	1.00	1.00
Building Inspector	2.00	2.00	2.00	1.00	1.00
Plans Examiner	1.00	1.00	1.00	1.00	1.73
Permit & License Tech	1.00	1.00	1.00	1.00	1.73
Permit & Licensing Administrator	1.00	1.00	1.00	1.00	1.00
Permit & Licensing Clerk	1.00	1.00	1.00	1.00	1.73
Code Compliance allocation (14.@10%)	0.90	0.97	0.80	-	-
Engineering/Stormwater allocation (1@60%+ 1x 0.10)	0.80	0.20	0.20	-	-
Com Dev Administrative allocation (1@25%; 1@33%)	0.58	0.58	0.83	-	-
Subtotal	9.28	8.76	9.83	7.00	9.18
SUBTOTAL PUBLIC SAFETY	19.13	18.41	17.95	16.40	18.08
Physical Environment					
Stormwater Management (Engineers 1x10%+1x20%)	0.40	1.00	1.00	1.00	1.00
Stormwater Maintenance Tech	1.00	-	-	-	-
Stormwater Director	0.20	-	-	-	-
Equipment Operator	0.40	1.00	1.00	-	-
Subtotal	2.00	2.00	2.00	1.00	1.00
SUBTOTAL PHYSICAL ENVIRONMENT	2.00	2.00	2.00	1.00	1.00
Public Works Department					
Public Works Director	0.60	1.00	1.00	1.00	1.00
Deputy Public Works Director	1.00	1.00	1.00	1.00	1.00
Field Crew Supervisor	1.00	1.00	1.00	1.00	1.00
Administrative Assistant	1.00	1.00	1.00	1.00	1.00
Mechanic	0.67	1.00	1.00	1.00	1.00
Maintenance Technician-General	4.00	4.00	4.00	2.00	2.00
Equipment Operator	0.60	-	-	1.00	1.00
Computer Aided Design Operator	1.00	1.00	1.00	1.00	1.00
Maintenance Technician/Mechanic	1.00	1.00	1.00	1.00	1.00
Subtotal	10.87	11.00	11.00	10.00	10.00
Engineering					
City Engineer (P.E.)	0.80	1.00	1.00	1.00	1.00
Engineering Assistant	0.20	-	-	-	-
Engineer	0.80	1.00	1.00	1.00	1.00
Subtotal	1.80	2.00	2.00	2.00	2.00
SUBTOTAL TRANSPORTATION	12.67	13.00	13.00	12.00	12.00

City Employees - Last Five Years
(Unaudited)

1 FTE = 2080 hours/year

	Fiscal Year				
	2023	2022	2021	2020	2019
Community Redevelopment Agency					
CRA Manager (Town Center)	-	-	-	-	0.25
CRA Manager (Harbor)	-	-	-	-	0.25
Maintenance Technician	-	-	-	-	1.50
CRA Finance Administrative Clerk (Town Center)	0.25	-	-	0.25	0.25
CRA Finance Administrative Clerk (Harbor)	0.25	-	-	0.25	0.25
Subtotal	0.50	-	-	0.50	2.50
SUBTOTAL ECONOMIC DEVELOPMENT	0.50	-	-	0.50	2.50
Library					
Library Director	1.00	1.00	1.00	1.00	1.00
Technical Services (Cataloger)	1.00	1.00	1.00	1.00	1.00
Circulation Desk Supervisor	1.00	1.00	1.00	1.00	1.00
Circulation Desk	1.00	1.00	1.00	1.00	1.00
Youth Services Librarian	1.00	1.00	1.00	1.00	1.00
Technology Specialist	1.00	1.00	1.00	1.00	1.00
Library Assistant (4 PT at 29/40 hrs/week)	2.90	2.90	2.90	2.90	2.90
Custodian	0.74	-	-	-	-
Subtotal	9.64	8.90	8.90	8.90	8.90
Parks (includes TDC/Waterfront and FDEP/Leonard Destin)					
Parks & Recreation Director	1.00	1.00	1.00	1.00	1.00
Parks & Recreation Deputy Director	1.00	1.00	1.00	1.00	1.00
Park Supervisor	1.00	1.00	1.00	1.00	1.00
Assistant Park Supervisor	1.00	1.00	1.00	1.00	1.00
Administrative Assistant	1.00	1.00	1.00	1.00	1.00
Maintenance Technician	12.11	11.45	11.45	11.45	11.45
Joe's Bayou Attendant (3 PT at 29/40 hrs/week)	2.18	2.18	1.45	1.45	1.45
Subtotal	19.29	18.63	17.90	17.90	17.90
Morgan Sports Complex					
Recreation Assistant	3.18	-	-	-	-
Recreation Program Coordinator	1.00	1.00	1.00	1.00	1.00
Recreation Assistant II	1.00	1.00	1.00	1.00	1.00
Recreation Assistant (2 PT at 29/40 hrs/week)	1.45	1.45	1.45	1.45	1.45
Field Maintenance Supervisor	-	-	-	-	-
Field Maintenance Technician	3.00	2.00	2.00	2.00	3.00
Parks Maintenance Tech/Mechanic	-	-	-	-	-
Groundskeeper	0.67	1.00	1.00	1.00	1.00
Scorekeepers (2 PT at 29/40 hrs/week)	-	1.45	1.45	1.45	1.45
Subtotal	10.30	7.90	7.90	7.90	8.90
Community Center					
Recreation Supervisor	1.00	1.00	1.00	1.00	1.00
Recreation Assistant II	1.00	1.00	1.00	1.00	1.00
Recreation Assistant (1 FT + 2 PT at 29/40)	5.18	2.45	2.45	2.45	2.45
Program Coordinator	1.00	1.00	1.00	1.00	1.00
Lead Program Coordinator	1.00	1.00	1.00	1.00	1.00
Maintenance Technician	1.00	2.00	2.00	2.00	2.00
Customer Service Recreation Specialist	1.00	1.00	1.00	1.00	1.00
Camp Counselors (4 PT at 29/40 hrs/week)	2.90	2.90	2.90	2.90	2.90
Subtotal	14.08	12.35	12.35	12.35	12.35
SUBTOTAL CULTURE & RECREATION	53.30	47.78	47.05	47.05	48.05
Total budgeted FTEs	119.34	109.78	108.34	104.63	107.30
Total actual FTEs (labor hours/2080)	93.12	91.31	92.32	86.37	82.09

Information is provided for the most recent five years as this is the most relevant.

Source: Payroll

OTHER REPORTS

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**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

Honorable Mayor and Members of
the City Commission,
City of Destin, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Destin, Florida (the "City"), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated March 5, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Mauldin & Jenkins, LLC

Bradenton, Florida
March 5, 2024



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR STATE PROJECT AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY CHAPTER 10.550, RULES OF THE AUDITOR GENERAL

Honorable Mayor and Members of
the City Commission,
City of Destin, Florida

Report on Compliance for Each Major State Project

Opinion on Each Major State Project

We have audited the City of Destin, Florida's (the "City") compliance with the types of compliance requirements identified as subject to audit in the *Department of Financial Services' State Projects Compliance Supplement* that could have a direct and material effect on each of the City's major state projects for the year ended September 30, 2023. The City's major state financial assistance projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state projects for the year ended September 30, 2023.

Basis for Opinion on Each Major State Project

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550, Rules of the Auditor General. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major state project. Our audit does not provide a legal determination of City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City's state programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major state project as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and Chapter 10.550, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with Chapter 10.550, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state project will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of Chapter 10.550. Accordingly, this report is not suitable for any other purpose.

Mauldin & Jenkins, LLC

Bradenton, Florida
March 5, 2024

CITY OF DESTIN, FLORIDA

**SCHEDULE OF EXPENDITURES OF
STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

State Agency, Pass-Through Entity, State Program	CFSA No.	Grantors No.	Expenditures
State Financial Assistance:			
Florida Department of Transportation			
Traffic Signal/HWY Light Maintenance	55.039	AQ982	\$ 159,846
Median Maintenance (via Ferrovial)	55.039	4600003522	39,618
Transportation Regional Incentive Program (TRIP) ROW	55.026	G1U39	3,376,986
Transportation Regional Incentive Program (TRIP) Trail	55.026	G2C92	114,905
Total Florida Department of Transportation			<u>3,691,355</u>
Florida Department of Environmental Protection			
Operations Leonard Destin Park	37.085	OGC 112	161,736
Total Florida Department of Environmental Protection			<u>161,736</u>
Total Expenditures of State Financial Assistance			<u><u>\$ 3,853,091</u></u>

CITY OF DESTIN, FLORIDA
NOTES TO SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2023

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the state grant activity of the City of Destin, Florida (the “City”), and is presented on the modified accrual basis of accounting.

The information in this schedule is presented in accordance with the requirements of Chapter 10.550, Rules of the Auditor General of the State of Florida. Therefore, some amounts presented in the schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE 2 – DE MINIMIS INDIRECT COST RATE

The City chose not to use the ten percent de minimis cost rate for the year ended September 30, 2023.

NOTE 3 – NON-CASH AWARDS

The City did not receive non-cash federal awards during the year ended September 30, 2023.

NOTE 4 – CONTINGENCIES

Grant monies received and disbursed by the City are for specific purposes and are subject to review by the grantor agencies. Such audits may result in disallowed expenditures under the terms of the grants. Based upon prior experience, the City does not believe that such disallowances, if any, would be material.

CITY OF DESTIN, FLORIDA

SUMMARY SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

SECTION I
SUMMARY OF AUDIT RESULTS

Financial Statements

Type of report the auditor issued on whether the financial
statements audited were prepared in accordance with GAAP:

Unmodified

Internal control over financial reporting:

Material weaknesses identified?

____ yes X no

Significant deficiencies identified not considered
to be material weaknesses?

____ yes X no

Noncompliance material to financial statements noted?

____ yes X no

Federal Programs and State Financial Assistance Projects

There was not an audit of major federal award programs as of September 30, 2023, due to the total amount expended being less than \$750,000.

Internal control over major federal programs:

Material weaknesses identified?

____ yes X no

Significant deficiencies identified not considered
to be material weaknesses?

____ yes X none reported

Type of auditor's report issued on compliance for
major state projects:

Unmodified

Any audit findings disclosed that are required to
be reported in accordance with Chapter 10.550?

____ yes X no

Identification of major state financial assistance project:

CSFA Number

55.026

Name of State Program

Transportation Regional Incentive Program (TRIP)

Dollar threshold used to distinguish between
Type A and Type B programs:

\$750,000

Auditee qualified as low-risk auditee?

____ yes X no

CITY OF DESTIN, FLORIDA
SUMMARY SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES

None noted.

SECTION III
STATE PROJECT FINDINGS AND QUESTIONED COSTS

None noted.

CITY OF DESTIN, FLORIDA
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

2022-001 – State of Florida Investment Compliance

Condition: During the 2022 fiscal year, the Finance Director (Acting as the Investment Officer) did not obtain the necessary eight hours of continuing professional education as required by Florida Statutes.

Criteria: Florida Statute 218.415 requires those responsible for overseeing investments of public funds to obtain annual education.

Status: Corrected



INDEPENDENT AUDITOR'S MANAGEMENT LETTER

Honorable Mayor and Members of
the City Council,
City of Destin, Florida

Report on the Financial Statements

We have audited the financial statements of the City of Destin, Florida (the "City"), as of and for the fiscal year ended September 30, 2023, and have issued our report thereon dated March 5, 2024.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and On Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditor's Report on Compliance for Each Major State Project and on Internal Control over Compliance Required by Chapter 10.550, Rules of the Auditor General; Schedule of Findings and Questioned Costs; and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated March 5, 2024, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding financial audit report. There were no findings or recommendations in the preceding annual financial report requiring correction.

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. This information is disclosed within the City's footnotes.

Financial Condition and Management

Sections 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the City has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific conditions(s) met. In connection with our audit, we determined that the City did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures for the City. It is management's responsibility to monitor the City's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by the same.

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Special District Component Units

Section 10.554(1)(i)5.c, Rules of the Auditor General, requires that we determine whether or not a special district that is a component unit of a county, municipality, or special district, provided the financial information necessary for proper reporting of the component unit, within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we did not note any special district component units that failed to provide the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

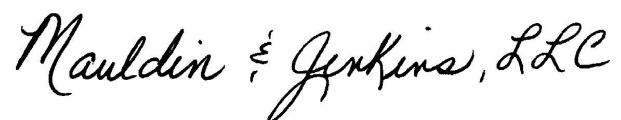
Additional Matters

Section 10.554(1)(i)3 Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, federal and other granting agencies, the Mayor and Members of the City Council, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

Bradenton, Florida
March 5, 2024

A handwritten signature in black ink that reads "Mauldin & Jenkins, LLC". The signature is written in a cursive, flowing style.

INDEPENDENT ACCOUNTANT'S REPORT

Honorable Mayor and Members of
the City Council,
City of Destin, Florida

We have examined the City of Destin, Florida's (the "City") compliance with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2023. Management of the City is responsible for the City's compliance with those requirements. Our responsibility is to express an opinion on the City's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the City complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the City complied with the specified requirements. The nature, timing and extent of the procedures selected depend on our judgement, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on the City's compliance with specified requirements.

We are required to be independent and to meet our ethical responsibilities in accordance with relevant ethical requirements relating to the examination engagement.

In our opinion, the City complied, in all material respects, with the aforementioned requirements during the year ended September 30, 2023.

This report is intended solely for the information and use of the City and the Auditor General, State of Florida, and is not intended to be and should not be used by anyone other than these specified parties.

Mauldin & Jenkins, LLC

Bradenton, Florida
March 5, 2024

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**COMMUNITY REDEVELOPMENT AGENCY OF THE
CITY OF DESTIN, FLORIDA
(A Component Unit of the City of Destin, Florida)**

FINANCIAL STATEMENTS

**FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2023**

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COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF DESTIN, FLORIDA
(A Component Unit of the City of Destin, Florida)
FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Community Redevelopment Agency of the City of Destin, Florida
Destin, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of the Community Redevelopment Agency of the City of Destin (the "CRA"), a component unit of the City of Destin, Florida, as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the CRA's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the CRA, as of September 30, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the CRA and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the CRA's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the CRA's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 6 and the required supplementary information on pages 20 and 21 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 5, 2024, on our consideration of the CRA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the CRA's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the CRA's internal control over financial reporting and compliance.



Bradenton, Florida
March 5, 2024

**COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF DESTIN, FLORIDA
(A Component Unit of the City of Destin, Florida)**

MANAGEMENT'S DISCUSSION AND ANALYSIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Community Redevelopment Agency of the City of Destin, Florida (the "CRA") we offer readers of the CRA's financial statements this narrative overview and analysis of financial activities of the CRA for the fiscal year ended September 30, 2023. The CRA is a component unit of the City of Destin, Florida (the "City").

FINANCIAL HIGHLIGHTS

The CRA's liabilities exceed the assets and deferred outflows by \$10,946,107 (net deficit) and represent an increase in net position of \$1,856,235 from the prior year.

The CRA's governmental funds reported a combined ending deficit fund balance of \$233,098, an increase of \$961,493. The fund balance increase was the result of the change in property values.

OVERVIEW OF THE FINANCIAL STATEMENTS

The focus of the Governmental Accounting Standards Board ("GASB") Statement Number 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, financial statements is on both the CRA as a whole (government-wide) and on the major individual funds. Both perspectives (government-wide and major funds) allow the user to address relevant questions, broaden a basis for comparison (such as year-to-year and government-to-government), and enhance the CRA's accountability.

This discussion and analysis intends to serve as an introduction to the CRA's basic financial statements. The basic financial statements are comprised of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

Designed to be corporate-like, the *government-wide financial statements* typically consolidate governmental and business-type activities into two columns, which add to a total for the primary government entity. However, the CRA has only governmental activities and, therefore, one column is presented that provides readers with a broad overview of the CRA's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the CRA's assets, deferred outflows, and liabilities with the difference reported as net position. This statement combines and consolidates the governmental funds' current financial resources (short-term spendable resources) with capital assets and long-term obligations. Over time, increases or decreases in net position may serve as a useful indicator of the financial position of the CRA.

The *statement of activities* presents information showing how the CRA's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF DESTIN, FLORIDA
(A Component Unit of the City of Destin, Florida)

MANAGEMENT'S DISCUSSION AND ANALYSIS

FUND FINANCIAL STATEMENTS

A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The CRA, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

GOVERNMENTAL FUNDS

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of expendable resources, as well as on balances of expendable resources available at fiscal year-end.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented in governmental funds with similar information presented in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions.

Both the governmental fund balance sheet and the governmental fund statement of revenue, expenditures and changes in fund balance provide a reconciliation to facilitate this comparison between the governmental fund and governmental activities.

NOTES TO FINANCIAL STATEMENTS

The notes to the financial statements provide additional information, which is essential to the full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements begin on page 13 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, over time net position may serve as a useful indicator of a government's financial position. The CRA's liabilities exceed the assets and deferred outflows by \$10,946,107 (net deficit) for the fiscal year ended September 30, 2023.

The overall increase in the CRA's net position was \$1,856,235 during fiscal year 2023. This increase is due to the rise in property values within the CRA districts.

**COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF DESTIN, FLORIDA
(A Component Unit of the City of Destin, Florida)**

MANAGEMENT'S DISCUSSION AND ANALYSIS

FINANCIAL IMPACTS

NORMAL IMPACTS

There are three basic factors that impact revenues and expenses as reflected below:

Revenue

Economic Condition – This can reflect a declining, stable, or growing economic environment and has a substantial impact on property.

Market Impacts on Investment Income – The current market conditions have a significant influence on the CRA's investment income.

Expenses

Interest – The marked rate at issuance of long-term debt will have a significant effect on future interest expense.

Current Year Impact – Governmental Activities

Ad valorem property taxes increased \$432,479 (21%), which was caused by the increase of property values within the CRA.

The millage rate was maintained at 1.615 for each of the last seven fiscal years.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUND

As noted earlier, the CRA uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Fund. The focus of the CRA's governmental fund is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the CRA's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of September 30, 2023, the CRA's governmental funds reported an ending deficit fund balance of \$233,098, which has been financed by the City. This was an increase of \$961,493 from the prior year.

BUDGETARY HIGHLIGHTS

There were no significant variances between the Original and Final budgets adopted for each CRA district. The difference between Original and Final budgets was related to prior year encumbrances that were rolled forward. Actual expenditures were lower than the Final budgets.

**COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF DESTIN, FLORIDA
(A Component Unit of the City of Destin, Florida)**

MANAGEMENT'S DISCUSSION AND ANALYSIS

DEBT ADMINISTRATION

At September 30, 2023, the CRA had total revenue notes payable of \$10,622,786. The majority of the CRA's debt represents notes secured solely by specified revenue sources (i.e. revenue notes). The CRA has no general obligation or special assessment debt. For general obligation debt greater than one year, the CRA is required to conduct a voter referendum process for approval.

Table 1			
Outstanding Debt			
Notes Payable			
	Governmental Activities		
	2023	2022	\$ Change
Revenue Notes	\$ 10,622,786	\$ 11,512,581	\$ (889,795)

The CRA is repaying its outstanding obligations. The CRA has no legal debt margin requirements set forth by the CRA's Charter or the Florida Statutes.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The CRA is funded by ad valorem taxes through interlocal agreements with the City and Okaloosa County. The two districts within the CRA have different interlocal agreements which outline the different formulas to share ad valorem property revenues based upon the incremental increase in taxable property values. Revenue projections are based on data provided each summer from the County Property Appraiser. Expenditure projections are based upon the CRA master plans as directed by the CRA Board with support from staff and the CRA Committees. Until recent years, nearly all of the revenues were used to pay down debt to both outside lenders and to refund the City for funds borrowed, with a small amount dedicated to contracts to maintain infrastructure built within the districts and coverage of a small portion of salaries and benefits of support staff. The fiscal year 2024 budget has committed funds to complete the update of the CRA master plans for both districts. The fiscal year 2024 budget considers additional debt to underground overhead utilities within the district. In addition, some of the cash balance accrued to date is planned to be used as matching funds against a grant from the State of Florida to design a linear park to improve multi-modal mobility.

Regional economic indicators were also considered in preparing the 2024 budget.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the CRA's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Finance Director, 4200 Indian Bayou Trail, Destin, Florida, 32541. The CRA's website address is www.cityofdestin.com.

COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF DESTIN, FLORIDA
(A Component Unit of the City of Destin, Florida)
STATEMENT OF NET POSITION
SEPTEMBER 30, 2023

	Governmental Activities
	<u> </u>
ASSETS	
Cash and cash equivalents	\$ 2,152,409
Total assets	<u>2,152,409</u>
DEFERRED OUTFLOW OF RESOURCES	
Deferred change on refunding	<u>2,587</u>
LIABILITIES	
Current liabilities	
Accounts payable	23,883
Advances from the City of Destin	2,361,624
Accrued interest	92,810
Noncurrent liabilities	
Due within one year	913,081
Due in more than one year	<u>9,709,705</u>
Total liabilities	<u>13,101,103</u>
NET POSITION	
Unrestricted (deficit)	<u>(10,946,107)</u>
Total net position	<u>\$ (10,946,107)</u>

The accompanying notes are an integral part of the financial statements.

COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF DESTIN, FLORIDA
(A Component Unit of the City of Destin, Florida)
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

Functions/programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	
Governmental activities				
Economic development	\$ 344,735	\$ -	\$ -	\$ (344,735)
Interest and other fiscal charges	316,957	-	-	(316,957)
Total governmental activities	<u>\$ 661,692</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(661,692)</u>
General revenues				
Property taxes				2,504,479
Interest				13,448
Total general revenues				<u>2,517,927</u>
Change in net position				1,856,235
Net position (deficit), beginning				(12,802,342)
Net position (deficit), ending				<u>\$ (10,946,107)</u>

The accompanying notes are an integral part of the financial statements.

COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF DESTIN, FLORIDA
(A Component Unit of the City of Destin, Florida)
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2023

	Town Center Fund	Harbor Fund	Total Governmental Funds
ASSETS			
Cash and cash equivalents	\$ 1,419,550	\$ 732,859	\$ 2,152,409
Total assets	<u>\$ 1,419,550</u>	<u>\$ 732,859</u>	<u>\$ 2,152,409</u>
LIABILITIES AND FUND BALANCE			
LIABILITIES			
Accounts payable	\$ 21,673	\$ 2,210	\$ 23,883
Advances from the City of Destin	2,361,624	-	2,361,624
Total liabilities	<u>2,383,297</u>	<u>2,210</u>	<u>2,385,507</u>
FUND BALANCE			
Restricted for:			
Community redevelopment	-	730,649	730,649
Unassigned	(963,747)	-	(963,747)
Total fund balance	<u>(963,747)</u>	<u>730,649</u>	<u>(233,098)</u>
Total liabilities and fund balance	<u>\$ 1,419,550</u>	<u>\$ 732,859</u>	<u>\$ 2,152,409</u>

The accompanying notes are an integral part of the financial statements.

COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF DESTIN, FLORIDA
(A Component Unit of the City of Destin, Florida)
RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2023

Total fund balance, General Fund		\$ (233,098)
Amounts reported for the governmental activities in the statement of net position are different because:		
Deferred amounts on refunding are not financial resources and, therefore are not reported as assets or liabilities in governmental funds. The statement of net position includes these charges, net of amortization.		2,587
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.		
Notes payable	\$ (10,622,786)	
Accrued interest	<u>(92,810)</u>	
		<u>(10,715,596)</u>
Total net position, governmental activities		<u><u>\$ (10,946,107)</u></u>

The accompanying notes are an integral part of the financial statements.

COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF DESTIN, FLORIDA
(A Component Unit of the City of Destin, Florida)
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

	Town Center Fund	Harbor Fund	Total Governmental Funds
REVENUES			
Property taxes	\$ 1,684,231	\$ 820,248	\$ 2,504,479
Interest income	9,023	4,425	13,448
Total revenues	<u>1,693,254</u>	<u>824,673</u>	<u>2,517,927</u>
EXPENDITURES			
Current			
Economic environment	261,589	83,146	344,735
Debt service			
Principal	441,795	448,000	889,795
Interest	289,909	31,995	321,904
Total expenditures	<u>993,293</u>	<u>563,141</u>	<u>1,556,434</u>
Net change in fund balance	699,961	261,532	961,493
Fund balance (deficit), beginning	<u>(1,663,708)</u>	<u>469,117</u>	<u>(1,194,591)</u>
Fund balance (deficit), ending	<u><u>\$ (963,747)</u></u>	<u><u>\$ 730,649</u></u>	<u><u>\$ (233,098)</u></u>

The accompanying notes are an integral part of the financial statements.

COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF DESTIN, FLORIDA
(A Component Unit of the City of Destin, Florida)
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE—GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balance, governmental funds:	\$	961,493
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The repayment of the principal of long-term debt consumes the current financial resources of governmental funds, but has no effect on net position. Also governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

Principal payments	\$	889,795	
Change in accrued interest		5,234	
Amortization of bond premium		<u>(287)</u>	<u>894,742</u>

Change in net position of governmental activities	\$	<u><u>1,856,235</u></u>
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The accompanying notes are an integral part of the financial statements.

**COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF DESTIN, FLORIDA
(A Component Unit of the City of Destin, Florida)**

NOTES TO FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Financial Reporting Entity

The Community Redevelopment Agency of the City of Destin, Florida (the “CRA”) is governed by a board consisting of seven directors who are the same individuals as those serving as the City of Destin (the “City”) City Council. The terms of office of the directors are concurrent with the terms of the members of the City Council. The CRA was established on March 3, 1998, through City Resolution No. 98-09. Details regarding the data utilized are located in the City of Destin – Community Redevelopment Plan. The CRA delineates two areas as the Harbor CRA and the Town Center CRA.

The Town Center CRA area, encompassing approximately 517 acres, was established by Resolution on March 3, 1998, with a 30-year term that expires on March 2, 2028. The area is located north of U.S. 98 and bounded substantially by Airport Road to the east and north, and Beach Drive on the west.

The Harbor CRA area, encompassing approximately 397 acres, was established by Resolution on June 3, 2003, with a 40-year term that expires on June 2, 2043. It was modified by the terms of an Interlocal Agreement between the City of Destin and Okaloosa County on November 7, 2005 and approved by the Okaloosa County Board of County Commissioners on November 15, 2005. The term of the Redevelopment Area is not renewable without the approval of the County.

Florida State Statute Chapter 163 allows a community redevelopment agency to be created for one or more of the following purposes: the elimination and prevention of blight; the reduction or prevention of crime; the provision of affordable housing; or the rehabilitation and revitalization of coastal resort and tourist areas that are deteriorating and economically distressed. The primary goal of the CRA is to provide a tool that will guide private and public initiatives for creating economic development, improved physical characteristics, encourage investment in Destin, improve the quality of life for residents, and establish a framework for the proper evolution of the CRA District.

The CRA was established in accordance with the Community Redevelopment Act of 1969. This state act allows municipalities to use increases in property tax revenue to finance the necessary public investments in the project area. In accordance with provisions of this act, the CRA developed and implemented a Community Redevelopment Plan to diversify its efforts in the area of economic development of the downtown by improving blighted properties and addressing properties with infrastructure problems.

Funding for redevelopment and restoration projects that are essential for the reduction of slum and blight and the stimulation of private sector revitalization efforts is provided primarily from the tax increment generated by the increased valuation of properties within the community redevelopment area. Increases in property tax revenue above the baseline assessment that was established upon adoption of the Community Redevelopment Plan is set aside in the Community Redevelopment Fund and can be utilized only for projects identified in the plan.

The CRA is a separate entity from the City. However, the City Council of the City of Destin serves as the CRA Board and performs the legislative functions, governing duties and corporate responsibilities of the agency. The City Manager serves as the director of the agency, performs the administrative duties and oversees the day to day operations of the agency. Several City departments, including Development Services, Finance, and Public Works, provide assistance in planning and implementing project activities that are designed to revitalize and restore the identified blighted areas.

COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF DESTIN, FLORIDA
(A Component Unit of the City of Destin, Florida)

NOTES TO FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-Wide and Fund Financial Statements

The basic financial statements consist of the government-wide financial statements and fund financial statements.

The government-wide financial statements include a statement of net position and a statement of activities. These statements report on the CRA as a whole and provide a complete financial picture of the CRA.

The government-wide statement of net position reports all financial and capital resources of the CRA's governmental activities. Governmental activities are those supported by taxes and intergovernmental revenue. The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Although there were none, program revenues include charges for services that are recovered directly from customers for services rendered. Taxes and other items not properly included among program revenues are reported instead as general revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Since the CRA fund financial statements are presented on a different measurement focus and basis of accounting than the government-wide financial statements, reconciliations are provided that briefly explain the adjustments necessary to reconcile the governmental fund financial statements to the government-wide governmental activities financial statements.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses reported when a liability is incurred, regardless of the timing of related cash flows. Tax increment financing from property taxes are recognized as revenue in the year when levied.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are generally recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the CRA considers revenues to be available if they are collected within 60 days of the end of the fiscal year. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences are recorded only when payment is due.

D. Deposits

The CRA considers cash on hand, cash with fiscal agents, and overnight investments with original maturities of less than three months to be cash and cash equivalents. The CRA also maintains its own bank account which is used for the majority of CRA transactions.

E. Receivables

Receivables consist of trade receivables and amounts due from other governments and are recorded net of any allowance for uncollectible amounts, if applicable.

Activity between the CRA and the City that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year (if any) are reported as "advances to/from the primary government." All other outstanding balances between the CRA and City (if any) are reported as "due to/from the primary government."

F. Deferred Outflows/Inflows of Resources

Deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. At September 30, 2023, the CRA had \$2,587 recorded as deferred charge on refunding.

COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF DESTIN, FLORIDA
(A Component Unit of the City of Destin, Florida)

NOTES TO FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Long-Term Obligations

In the government-wide financial statements, long-term obligations are reported as liabilities in the statement of net position.

H. Fund Balance/Net Position

In fund financial statements, the governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the CRA is bound to honor constraints imposed on the use of resources reported. Amounts that are restricted to specific purposes either by: (a) constraints placed on the use of resources by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation are classified as restricted fund balances. Amounts that can only be used for specific purposes pursuant to constraints imposed by the Board of Directors through a resolution are classified as committed fund balances. These constraints remain binding unless removed or changed in the same manner employed to commit those resources by resolution. Amounts that are constrained by the CRA's intent to be used for specific purposes, however, are neither restricted, nor committed are classified as assigned fund balances. Assignments are approved by the Executive Director.

Non-spendable fund balances include amounts that cannot be spent because they are either: (a) not in spendable form, or (b) legally or contractually required to be maintained intact. Unassigned fund balance represents an amount that has not been restricted, committed, or assigned to specific purposes within the governmental funds. When both restricted and unrestricted fund balances are available for use, it is the CRA's policy to use restricted fund balance first, then unrestricted fund balance. Furthermore, committed fund balances are reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications can be used.

Net position of the government-wide financial statements are categorized as net investment in capital assets, restricted or unrestricted. The first category represents capital assets net of accumulated depreciation, less outstanding debt related to the acquisition or construction of the capital assets.

The restricted category, if any, represents the balance of assets restricted by requirements of revenue bonds and other externally imposed constraints or by legislation. Unrestricted net position represents resources that are available for spending.

I. Budgetary Data

Budgets are adopted on a basis consistent with GAAP for the current fiscal year. For the year ended September 30, 2023, annual appropriated budgets were adopted by ordinance for the governmental funds. All appropriations lapse at year-end except for appropriations related to multi-year capital projects.

The CRA follows these procedures to establish the budgetary data reflected in the financial statements:

1. Prior to September 1st, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following October 1st. The operating budget includes proposed expenditures and revenue sources. The City Council requires changes as deemed necessary, sets proposed millages, and establishes dates for tentative and final public budget hearings as prescribed by Florida Statutes.
2. Proposed budgets are advertised in a newspaper of general circulation in the City. Public hearings are conducted for the purpose of receiving input, responding to complaints, and providing reasons and explanations for intended actions to all citizens participating.
3. Prior to October 1st, the budgets for all governmental funds are legally enacted through passage of an ordinance. Budget amendments are periodically passed through resolutions during the fiscal year. Budgeted beginning fund balance in the accompanying financial statements reflects planned utilization of prior years unassigned fund balance to the level required to accomplish current year objectives.

**COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF DESTIN, FLORIDA
(A Component Unit of the City of Destin, Florida)**

NOTES TO FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Budgetary Data (Continued)

4. Budgetary control (the level which expenditures cannot legally exceed the appropriated amount) is maintained by the City Manager at the fund level and may be amended as necessary during the fiscal year.
5. Budgeted amounts reflected in the financial statements are originally adopted amounts as amended by the City Council or by City Manager in accordance with applicable City ordinances.
6. Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditures of resources are recorded in order to reserve that portion of the applicable appropriation, is employed in the governmental funds. Encumbrances outstanding at year-end are included in the reported components of fund balances and do not constitute expenditures or liabilities because the commitments will be appropriated and honored during the subsequent year.

J. Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and deferred outflows of resources, and liabilities and deferred inflows of resources, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditures during the reporting period. Actual results could differ from those estimates.

NOTE 2 – TAX INCREMENT REVENUE

The primary source of revenue is tax increment funds received through the City of Destin and Okaloosa County. The revenue from the City is treated as property taxes, while the remainder is recorded as intergovernmental revenue – tax increment financing.

NOTE 3 – DEPOSITS AND INVESTMENTS

At September 30, 2023, the bank balances of the CRA's deposits were \$2,199,652. All of the CRA's public deposits are held in qualified public depositories pursuant to Florida Statutes, Chapter 280, *Florida Security for Public Deposits Act*. Under the Act, all qualified public depositories are required to pledge eligible collateral having a market value equal to or greater than the average daily or monthly balance of all public deposits, times the depository's collateral pledging level. The pledging level may vary depending upon the depository's financial condition and establishment period. All collateral must be deposited with an approved financial institution. Any losses to public depositors are covered by applicable deposit insurance, sale of securities pledged as collateral and, if necessary, assessments against other qualified public depositories of the same type as the depository in default. When public deposits are made in accordance with Chapter 280, no public depositor shall be liable for any loss thereof.

COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF DESTIN, FLORIDA
(A Component Unit of the City of Destin, Florida)

NOTES TO FINANCIAL STATEMENTS

NOTE 4 – INTERFUND ACTIVITY

Balances between the CRA and the City of Destin as of year-end were as follows:

	<u>Advance From</u>	<u>Advance To</u>
City of Destin	\$ 2,361,624	\$ -
Community Redevelopment Agency	-	2,361,624
	<u>\$ 2,361,624</u>	<u>\$ 2,361,624</u>

During the year, the CRA transfers funds to the City for debt service requirements. Transfers in the amount of \$1,211,699 have been reflected as debt service payments of principal (\$889,795) and interest (\$321,904) within these financial statements.

NOTE 5 – LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities for the year ended September 30, 2023:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<u>Governmental activities:</u>					
Notes payable:					
Town Center Area Redevelopment Refunding Revenue Note, Series 2014	\$ 8,499,581	\$ -	\$ (441,795)	\$ 8,057,786	\$ 457,081
Non-Ad Valorem Refunding Revenue Note, Series 2021	3,013,000	-	(448,000)	2,565,000	456,000
Total governmental activities long-term liabilities	<u>\$ 11,512,581</u>	<u>\$ -</u>	<u>\$ (889,795)</u>	<u>\$10,622,786</u>	<u>\$ 913,081</u>

Town Center Area Redevelopment Refunding Revenue Note, Series 2014

Effective March 11, 2014, the City closed on a \$11,871,000 note payable issued for the purpose of refunding certain outstanding debt of the City. Interest payments are due semiannually on June 1 and December 1 with the principal payments due on June 1. The note carries an interest rate of 3.41%. On June 8, 2015, the City reissued the bonds to extend the repayment period by ten years. The final payment is now due on June 1, 2037. The net proceeds of the Series 2014 revenue note were used to refund the Capital Improvement Revenue Bonds, Series 2005.

The Town Center Area Redevelopment Refunding Revenue Note, Series 2014 ordinance provides for establishment and maintenance of various funds maintained by the City:

- Town Center Area Redevelopment Revenue Special Revenue Fund records pledged revenues consisting of the ad valorem tax increment revenue;
- Town Center Area Redevelopment Revenue Note Series 2014 Debt Service Fund records all the debt service requirements of the issue which includes the principal, interest and reserve requirements.

**COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF DESTIN, FLORIDA
(A Component Unit of the City of Destin, Florida)**

NOTES TO FINANCIAL STATEMENTS

NOTE 5 – LONG-TERM LIABILITIES (CONTINUED)

Restrictions on the use of cash accumulated in the Town Center Area Redevelopment Revenue Note, Series 2014, Special Revenue Fund, in order of priority, are as follows:

- Deposits to the Sinking Fund accounts are to be used to pay debt service on the 2014 Note and will be spent within a 12-month period beginning on the date of deposits. Moneys in the Sinking Fund will be depleted at least once a year except for a reasonable carryover amount not in excess of and one-twelfth (1/12) of the annual debt service on the 2014 Note for the preceding year.

Non-Ad Valorem Refunding Revenue Note, Series 2021

Effective May 21, 2021, the City closed on a \$9,905,000 note payable with Key Government Finance, Inc. Interest and principal payments are made monthly. The note carries an interest rate of 1.139% and the final payment is due March 15, 2029.

The Non-Ad Valorem Refunding Revenue Note, Series 2021 ordinance provides for:

- A. Financing the acquisition of certain real property within the City to be used to expand public beach access. The 2021 series included \$2,819,000 of new debt issued to assist in the acquisition of two parcels of land in the Crystal Beach area that will be used to expand public beach access. Council has committed Okaloosa Half-Penny local discretionary infrastructure surtax funds to increasing public beach access, and these funds will be used to repay this portion of the debt.
- B. Refunding certain debt obligations. The 2021 series refunded the Non-Ad Valorem Refunding Revenue Note, Series 2015A which was paying 2.71% and was scheduled to mature November 1, 2029 (\$3,489,000), and the Harbor CRA Second Replacement, Series 2009 Note, As Restructured September 19, 2015 which was paying 2.84% and was scheduled to mature July 31, 2029 (\$3,597,000).
- C. Pledging certain funds to secure payment. This note is secured by the City's covenant to budget and appropriate Non-Ad Valorem Revenues and is subject to an anti-dilution test. The anti-dilution test states that net available non-ad valorem revenues should be maintained at 1.25 or higher of maximum annual debt service. This ratio was 5.25 as of September 30, 2024.

A summary of annual debt service requirements as of September 30, 2023 is as follows:

Fiscal Year				
Ending	Principal	Interest	Total	
2024	\$ 913,081	\$ 301,606	\$ 1,214,687	
2025	928,896	280,825	1,209,721	
2026	957,258	259,443	1,216,701	
2027	974,186	237,429	1,211,615	
2028	1,000,700	214,803	1,215,503	
2029 - 2033	3,143,162	765,809	3,908,971	
2034 - 2037	2,705,503	234,565	2,940,068	
	<u>\$ 10,622,786</u>	<u>\$ 2,294,480</u>	<u>\$ 12,917,266</u>	

**COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF DESTIN, FLORIDA
(A Component Unit of the City of Destin, Florida)**

NOTES TO FINANCIAL STATEMENTS

NOTE 6 – COMMITMENTS AND CONTINGENCIES

Grants

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the State of Florida. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the CRA expects such amount, if any, to be immaterial.

Litigation and Other Matters

The CRA is also the defendant in various claims, generally concerning development issues. In the opinion of management, any future costs associated with these claims will not have a significant adverse effect on the accompanying financial statements, and accordingly, no provision for losses has been recorded.

Risk Management

The Agency purchases insurance coverage through commercial insurance carriers to cover liability, workers' compensation, automobile, personal property, marine equipment and crime/fidelity risks. The CRA's liability and workers' compensation policies are retrospective policies that require adjusted premium calculations following the end of the policy period; however, the CRA does not retain any risk of loss through these coverages. All policies have been maintained for several years without reductions in coverage. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

Remedies for Default

As part of notes payable there are terms in such agreements that state if the CRA were to default on such agreements that all payments are to become current.

NOTE 7 – SUBSEQUENT EVENTS

The CRA has evaluated all subsequent events through March 5, 2024 the date the financial statements were available to be issued.

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REQUIRED SUPPLEMENTARY INFORMATION

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COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF DESTIN, FLORIDA
(A Component Unit of the City of Destin, Florida)
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL-HARBOR FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

	Original Budget	Final Budget	Actual Amount	Variance With Final Budget
Revenues				
Property taxes	\$ 825,558	\$ 825,558	\$ 820,248	\$ (5,310)
Interest	500	500	4,425	3,925
Total revenues	<u>826,058</u>	<u>826,058</u>	<u>824,673</u>	<u>(1,385)</u>
Expenditures				
Current				
Economic development	85,640	137,508	83,146	54,362
Debt service				
Principal	448,000	448,000	448,000	-
Interest	31,995	31,995	31,995	-
Capital outlay	<u>6,000,000</u>	<u>6,000,000</u>	<u>-</u>	<u>6,000,000</u>
Total expenditures	<u>6,565,635</u>	<u>6,617,503</u>	<u>563,141</u>	<u>6,054,362</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(5,739,577)</u>	<u>(5,791,445)</u>	<u>261,532</u>	<u>6,052,977</u>
OTHER FINANCING SOURCE				
Issuance of debt	<u>5,950,000</u>	<u>5,950,000</u>	<u>-</u>	<u>(5,950,000)</u>
Change in fund balances	210,423	158,555	261,532	102,977
Fund balances, beginning	<u>469,117</u>	<u>469,117</u>	<u>469,117</u>	<u>-</u>
Fund balances, ending	<u>\$ 679,540</u>	<u>\$ 627,672</u>	<u>\$ 730,649</u>	<u>\$ 102,977</u>

COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF DESTIN, FLORIDA
(A Component Unit of the City of Destin, Florida)
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL-TOWN CENTER FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

	Original Budget	Final Budget	Actual Amount	Variance With Final Budget
Revenues				
Property taxes	\$ 1,684,593	\$ 1,684,593	\$ 1,684,231	\$ (362)
Interest	1,100	1,100	9,023	7,923
Total revenues	<u>1,685,693</u>	<u>1,685,693</u>	<u>1,693,254</u>	<u>7,561</u>
Expenditures				
Current				
Economic development	147,980	204,848	261,589	(56,741)
Debt service				
Principal	441,795	441,795	441,795	-
Interest	377,036	377,036	289,909	87,127
Capital outlay	920,000	1,110,000	-	1,110,000
Total expenditures	<u>1,886,811</u>	<u>2,133,679</u>	<u>993,293</u>	<u>1,140,386</u>
Change in fund balances	(201,118)	(447,986)	699,961	1,147,947
Fund balances (deficit), beginning	<u>(1,663,708)</u>	<u>(1,663,708)</u>	<u>(1,663,708)</u>	<u>-</u>
Fund balances (deficit), ending	<u>\$ (1,864,826)</u>	<u>\$ (2,111,694)</u>	<u>\$ (963,747)</u>	<u>\$ 1,147,947</u>

OTHER REPORTS

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

Board of Directors and Executive Director
Community Redevelopment Agency of the City of Destin, Florida
Destin, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the Community Redevelopment Agency of the City of Destin, Florida (the "CRA"), (a component unit of the City of Destin, Florida), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the CRA's basic financial statements, and have issued our report thereon dated March 5, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the CRA's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the CRA's internal control. Accordingly, we do not express an opinion on the effectiveness of the CRA's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the CRA's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Bradenton, Florida
March 5, 2024

Mauldin & Jenkins, LLC

**COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF DESTIN, FLORIDA
(A Component Unit of the City of Destin, Florida)**

**SCHEDULE OF FINDINGS AND RESPONSES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

**SECTION I
SUMMARY OF AUDIT RESULTS**

Financial Statements

Type of report the auditor issued on whether the financial
statements audited were prepared in accordance with GAAP:

Unmodified

Internal control over financial reporting:
Material weaknesses identified?

____ Yes X No

Significant deficiencies identified not considered
to be material weaknesses?

____ Yes X None reported

Noncompliance material to financial statements noted?

____ Yes X No

Federal Awards and State Financial Assistance Projects

The CRA did not expend \$750,000 in federal or state funds during its fiscal year ended September 30, 2023.

**SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES**

None reported.

**COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF DESTIN, FLORIDA
(A Component Unit of the City of Destin, Florida)**

**SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

None.

INDEPENDENT AUDITOR'S MANAGEMENT LETTER

Board of Directors and Executive Director
Community Redevelopment Agency of the City of Destin, Florida
Destin, Florida

Report on the Financial Statements

We have audited the financial statements of the Community Redevelopment Agency of the City of Destin, Florida (the "CRA"), (a component unit of the City of Destin, Florida) as of and for the fiscal year ended September 30, 2023, and have issued our report thereon dated March 5, 2024.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standard* and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated March 5, 2024, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding financial audit report. There were no findings or recommendations in the preceding annual financial report requiring correction.

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The CRA has made these disclosures in the notes to the financial statements.

Financial Condition and Management

Sections 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the CRA has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the CRA did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures. It is management's responsibility to monitor the CRA's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by the same.

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Specific Information

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, Rules of the Auditor General, the CRA reported:

- a. There were no employees compensated in the last pay period of the CRA's fiscal year.
- b. There were no independent contractors to whom nonemployee compensation was paid in the last month of the CRA's fiscal.
- c. There was no compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency.
- d. There was no compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency.
- e. There was 1 construction projects with a total cost of at least \$65,000 approved by the CRA that began on or after October 1 of the fiscal year being reported at a total cost of \$229,810.
- f. A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the CRA amends a final adopted budget under Section 189.016(6), Florida Statutes, has been presented on pages 20 and 21 of this report.

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, federal and other granting agencies, the Board of Trustees and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.



Bradenton, Florida
March 5, 2024

INDEPENDENT ACCOUNTANT'S REPORT

Board of Directors and Executive Director
Community Redevelopment Agency of the City of Destin, Florida
Destin, Florida

We have examined the Community Redevelopment Agency of the City of Destin, Florida (the "CRA"), (a component unit of the City of Destin, Florida) compliance with Sections 218.415, 163.387(6), and 163.387(7), Florida Statutes, during the year ended September 30, 2023. Management of the CRA is responsible for the CRA's compliance with those requirements. Our responsibility is to express an opinion on the CRA's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the CRA complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the CRA complied with the specified requirements. The nature, timing and extent of the procedures selected depend on our judgement, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our ethical responsibilities in accordance with relevant ethical requirements relating to the examination engagement.

Our examination does not provide a legal determination on the CRA's compliance with specified requirements.

In our opinion, the CRA complied, in all material respects, with the aforementioned requirements during the year ended September 30, 2023.

This report is intended solely for the information and use of the CRA and the Auditor General, State of Florida, and is not intended to be and should not be used by anyone other than these specified parties.



Bradenton, Florida
March 5, 2024

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CITY OF DESTIN



AGENDA ITEM

COUNCIL MEETING DATE: March 18, 2024**TYPE OF AGENDA ITEM:** City Manager Report**AGENDA OUTLINE NUMBER:** 4.D.

TO: City Council

THRU: Louis Zunguze, Interim City Manager
Kimberly Kopp, City Attorney

FROM: Krystal Strickland, Finance Director
Rey Bailey, City Clerk

DATE: March 4, 2024

SUBJECT: FY25 Budget Calendar

I. BACKGROUND: Each year the City must publish a Budget Adoption calendar, establishing dates for the two budget and millage public hearings. The budget calendar includes dates of budget hearings, budget workshops, deadlines for budget entry and review processes, and statutory deadlines.

II. DISCUSSION: Two Budget and Millage public hearings must be set each fiscal year. The first budget and millage public hearing requires notice by mail to all citizens. It is best practice to announce the date, time, and location of Public Hearing #1 on the TRIM notice that is mailed to all property owners by the Property Appraiser by August 24th of each year. To accomplish this, the millage rate must be certified to the Property Appraiser by August 4th.

Budget and Millage Public Hearing #1 can take place 10-15 days (September 3 - 18) after the TRIM notice has been sent to property owners. After review schedules of other Budget Public Hearings, committee meetings, and legal counsel schedules, Staff recommend holding the Budget Millage Public Hearing #1 on September 7, 2023 in the City Hall Annex council chambers.

Some important dates:

- Wednesday, May 13 : Budget Workshop #1 Operations
- Monday, June 24: Budget Workshop#2 Capital Improvement Program and Tentative Millage Rate
- Friday, July 1: Property Appraiser certifies taxable property values
- Monday July 8: Budget Workshop#3 (Optional)
- Monday July 15: Motion to confirm Millage rate and Public Hearing #1 for TRIM

Notices

- July 16-July 25: Individual Council Member Budget Briefings
- Monday, September 2: Labor Day
- Tuesday, September 3: Okaloosa Board of County Commissioners Budget Public Hearing #1
- Thursday, September 5: Public Hearing #1 to adopt Millage Rate and Budget and Regular Council Meeting
- Monday, September 16: Public Hearing #2 (FINAL) to adopt Millage Rate and Budget and Regular Council Meeting

The full calendar is attached for review and comment.

- A. **Link to Strategic Goals / Objectives:** Goal #1: Financially sound city providing service excellence
- B. **Effect on Budget (EOB):** None
- C. **Level of Service (LOS):** Same
- D. **Legislative Sponsor:**

III. CONCLUSION: Staff recommends approval of the attached budget calendar which sets the first millage and budget public hearing for Thursday, September 5, 2024 at 6pm in the regular council chambers at 4100 Indian Bayou Trail. This calendar also sets the recommended dates for Budget Workshops.

IV. RECOMMENDED MOTION: I move to approve the FY 2025 Budget Calendar and to set Budget and Millage Adoption Public Hearing #1 for September 5, 2024 at 6pm in the regular council chambers at 4100 Indian Bayou Trail.

Attachments:

1. FY25 Budget Calendar

as of 03/04/2024

**City of Destin
Calendar to Adopt FY 2025 Budget**

<u>Date</u>	<u>Event/Deadlines</u>	<u>Truth-In-Millage Compliance Schedule</u>
<u>February Events/Deadlines</u>		
2/21/2024	Budget Committee (Senior Leaders)	
	REVIEW CITY PRIORITIES (Comp Plan; Strategic Objectives)	
2/29/2024	Strategic Visioning Session	
<u>March Events/Deadlines</u>		
3/1/2024	Open in MUNIS (Define/Start Budget Projection; Budget Setting Default Adjustment)	
3/15/2024	All Personnel Budget requests due to HR (Tuition Reimbursements, OT, FTEs, Position Reclassifications)	
3/13/2024	Senior Leader and Admin Assistant - Budgeting Overview and MUNIS Budget Entry Training	
03/11/24 to 03/15/2024	Review Current Year Projection Estimates with Directors	
3/22/2024	Operating Budget Submissions Due to Program Monitors	
3/27/2024	City Manager requests budget from Sheriff and Fire Department	
3/29/2024	Program Monitors Complete Initial Operating Budget Input into MUNIS	
<u>April Events/Deadlines</u>		
4/3/2024	Finance -Consolidate data for Budget Committee Review	
4/10/2024	Budget Committee (Senior Leaders) REVIEW & PRIORITIZE	
<u>May Events/Deadlines</u>		
05/01/2024 to 05/07/2024	City Manager Budget Review of Budget Projections and Slide Presentation	
5/7/2024	PRT Meeting - Review Capital Project Forms and prioritization	
5/13/2024	City Council Budget Workshop #1 Operations	
5/20/2024	Grant Revenue Estimate Review (Grants Manager and Finance Director)	
5/20/2024	Vehicle and Motorized Equipment Requests Due to Public Works Director	
5/27/2024	MEMORIAL DAY	

as of 03/04/2024

**City of Destin
Calendar to Adopt FY 2025 Budget**

<u>Date</u>	<u>Event/Deadlines</u>	<u>Truth-In-Millage Compliance Schedule</u>
<u>June Events/Deadlines</u>		
6/7/2024	Program/Functional Stmt, Goals & Obj, Accomplishments/Challenges Due (Budget Book)	
6/12/2024	Harbor CRA Review Tentative Budget	
6/19/2024	Town Center CRA Review Tentative Budget	
6/20/2024	PRT Meeting - Review Capital Project Forms and prioritize	
6/22/2024	5-year Capital Improvement Plan Review with City Manager	
6/24/2024	City Council Budget Workshop #2 Capital & Millage	
<u>July Events/Deadlines</u>		
7/1/2024	Property Appraiser Certifies Taxable Value (Day 1)	Day 1: Property Appraiser Certifies Taxable Value
7/4/2024	INDEPENDENCE DAY	
7/5/2024	Discussion Tentative Millage Rate & Revenue Figures with City Manager	
7/5/2024	Revise and Update Operating and 5-Year CIP Budgets	
7/8/2024	City Council Budget Workshop #3 Optional	
7/10/2024	Alternate Date: Harbor CRA Review Tentative Budget	
7/12/2024	Dept Charts in Budget Doc, Text Revisions due to Budget Monitors	
7/15/2024	Budget Document Draft Due	
7/15/2024	Final Budget Totals & Tentative Millage Rate due to Council for Adoption (Adopt before August 4th)	
7/17/2024	Alternate Date: Town Center CRA Review Tentative Budget	
7/18/2024 to 7/19/2024	Operations Budget review with City Manager	
7/19/2024	Distribute City Manager's Recommended Budget to Council	
7/24/2024 to 7/31/2024	Individual Budget Briefs with City Council	
<u>August Events/Deadlines</u>		
8/4/2024	Certify Millage Rate and Public Hearing#1 Date with Property Apprasier Form DR420 (Day 35)	Day 35 (Aug 4th): Certify Millage Rate and Public Hearing #1 with Property Appraiser
8/12/2024	Budget Workshop #4 with Council - Optional	
8/23/2024	Publish Tentative Budget online	
8/24/2024	TRIM Notice mailed by Property Appraiser to property owners (Day 55)	Day 55 (Aug 24th): TRIM Notices mailed by Property Appraiser to property owners

as of 03/04/2024

**City of Destin
Calendar to Adopt FY 2025 Budget**

<u>Date</u>	<u>Event/Deadlines</u>
8/26/2024	Send draft budget ad that will be published after 1st Public Hearing to DOR for review

September Events/Deadlines

9/2/2024	LABOR DAY
9/3/2024	Post Tentative Budget to Website (hard deadline)
9/3/2024	Okaloosa County Budget Public Hearing #1)
9/5/2024	1st Public Hearing - Millage Rate & Budget Ordinances
9/6/2024	Budget Ad submitted to Destin Log for publication on 9/11/22 (Wednesday)
9/11/2024	Budget Ad Published and distributed by Destin Log
9/16/2024	Final Public Hearing - Millage Rate & Budget Ordinances and Regular Council Meeting
9/18/2024	Ordinances adopting Millage Rate & Budget sent to Property Appraiser and Tax Collector
9/20/2024	Certification of Final Taxable Rev (DR-422 sent to Property Appraiser, Tax Collector, and Department of Revenue (FDOR)

October Events/Deadlines

10/15/2024	Remit DR-487 Certification of TRIM compliance
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Other Important Dates

07/29/24	School Board 1st Budget Hearing
09/03/24	Okaloosa County 1st Budget Hearing
09/09/24	School Board Final Budget Hearing
09/17/24	Okaloosa County Final Budget Hearing

Truth-In-Millage Compliance Schedule

Tentative Budget must be posted to Website at least 2 days before Public Hearing #1 FS 166.241

Budget Public Hearings cannot be on same day as hearings for the County and for the School District

Days 65-80 (September 3-18): Public Hearing #1 (aka Tentative Budget and Proposed Millage Rate Hearing)

Send budget ad on the Friday before the Wednesday printing (or on Wednesday for a Friday printing)

Day 95 (Sept 18-Oct 3): Within 15 days after Public Hearing #1, advertise intent to adopt final millage and budget

Days 97-100: Hold Final Public Hearing to adopt final millage and budget 2-5 days after the newspaper advertisement

Within 3 days after the Final Budget Hearing, send the resolution/ordinance adopting final millage to property appraiser, tax collector and DOR

Within 3 days after receiving DR-422, the taxing authority certifies final millage to the property appraiser.

CITY OF DESTIN



AGENDA ITEM

COUNCIL MEETING DATE: March 18, 2024

TYPE OF AGENDA ITEM: City Manager Report

AGENDA OUTLINE NUMBER: 4.E.

TO: City Council

THRU: Louis Zunguze, Interim City Manager
Kimberly Kopp, City Attorney

FROM: Krystal Strickland, Finance Director

DATE: March 4, 2024

SUBJECT: Operations Financial Report - Informational Only

I. BACKGROUND: This item is informational only.

II. DISCUSSION: Year-to-date budget versus actuals shall be provided to Council within forty-five days of the month end. Governmental funds are accounted for on a modified accrual basis, which excludes long-term assets and liabilities.

Highlights of the period ending 01/31/2024:

At the end of January we were 33% of the way through Fiscal Year 2024, which is October 1 - September 30, 2024

75% of Ad Valorem (property) taxes have been received. The majority of property taxes arrive in January/February.

We have expended 28% of the Operating Budget

We have expended 21% of the Capital Budget

The net change in total fund balance is a year-to-date a decrease of \$1.4 million. This includes the \$9 million acquisition of property at 1 Harbor Boulevard.

Details for all funds are on file with the Finance Department, and are available upon request.

A. Link to Strategic Goals / Objectives: Financially sound city providing service excellence

B. Effect on Budget (EOB):

C. Level of Service (LOS):

D. Legislative Sponsor:

III. CONCLUSION:

IV. RECOMMENDED MOTION: Not applicable. Item is informational only.

Attachments:

1. 2024p04 JAN YTD Actual TREND

City of Destin, Florida

Balance Sheet - Governmental Funds

	01, 700	102	110	111	122, 125, 127, 129	209, 213, 214, 221	300, 305, 315	2023
<i>Period ended January 31,</i>								
	General Fund	1998-2028 or to 2037 Town Center CRA	2003-2043 Harbor CRA	Florida Building Code Fund	Other Special Revenue Funds	Debt Service Funds	Capital Project Funds	Total Governmental Funds
Assets								
Cash and cash equivalents	\$ 19,487,647	\$ 1,026,833	\$ -	\$ -	\$ 3,954,346	\$ -	\$ 2,586,434	\$ 27,055,260
Investments	15,422,286	-	-	-	-	-	-	15,422,286
Due from other funds	1,195,946	2,000,000	504,673	75,462	4,005,767	-	2,451,521	10,233,369
Due from other governments	782,306	-	-	-	166,491	6,270,863	2,802,794	10,022,454
Advance to other funds	2,261,624	-	-	-	-	-	-	2,261,624
Accounts receivable - other	177,750	-	-	-	-	-	67,109	244,859
Prepaid items	134,892	-	-	-	-	-	-	134,892
Restricted cash and cash equivalents	-	-	529,255	302,675	-	640,158	3,492,152	4,964,240
Total assets	\$ 39,462,450	\$ 3,026,833	\$ 1,033,928	\$ 378,137	\$ 8,126,604	\$ 6,911,021	\$ 11,400,010	\$ 70,338,983
Liabilities, deferred inflows of resources and fund balances								
Liabilities:								
Accounts payable	193,462	1,894	2,687	6,706	26,542	-	46,935	278,226
Accrued payroll	(5)	-	-	-	-	-	-	(5)
Unearned Revenue	920,895	-	-	-	-	-	1,196,319	2,117,214
Due to other funds	9,037,371	30,226	1,844	77,025	50,397	-	1,036,453	10,233,317
Advance from other funds	-	2,261,624	-	-	-	-	-	2,261,624
Total liabilities	10,151,723	2,293,743	4,531	83,731	76,940	-	2,279,706	14,890,374
Deferred inflows of resources								
Unavailable revenue	-	-	-	-	-	-	-	-
Deferred revenue	-	-	-	-	-	6,270,863	2,802,794	9,073,657
Total deferred inflows of resource:	-	-	-	-	-	6,270,863	2,802,794	9,073,657
Fund balances:								
Nonspendable	2,484,588	-	-	-	-	-	-	2,484,588
Restricted	-	448,793	994,709	235,622	234,127	640,158	3,261,546	5,814,954
Committed	10,874,000	-	-	-	6,805,476	-	(1,268,017)	16,411,459
Assigned	2,280,022	284,297	34,689	58,785	1,010,062	-	4,323,981	7,991,835
Unassigned	13,672,116	-	-	-	-	-	-	13,672,116
Total fund balances (deficit)	29,310,726	733,090	1,029,397	294,406	8,049,664	640,158	6,317,510	46,374,953
Total liabilities, deferred inflows of resources and fund balances	\$ 39,462,450	\$ 3,026,833	\$ 1,033,928	\$ 378,137	\$ 8,126,604	\$ 6,911,021	\$ 11,400,010	\$ 70,338,984
	\$ -	\$ -	\$ (0)	\$ -	\$ -	\$ -	\$ -	\$ (0)

Nonspendable = Long-term advance to TownCenter CRA \$2,448,823.50 (in 01 fund) plus prepaid expenses

Restricted = Interlocal Agreements, State and Local Regulations (Harbor CRA 110, Florida Building Code Fund 111, Impact Fees 315), Bond covenants (2013, 2014, 2021 Debt Service Funds), Grant Agreements (305)

Committed = Council resolutions, motions, includes fund balance resolution for 1 yr debt service (\$2.7m) + 3 mos emergency ops x 2 (\$6.7m), Tech Fund balance (125), Oka Half Penny fund balance (129)

Assigned = Contracts, purchase orders, unofficial RR fund (300)

Unassigned = Funds with a negative balance (TC CRA 102), net assets not otherwise categorized

CITY OF DESTIN
Actuals 10/01/2023 - 01/31/2024

SUMMARY ALL FUNDS	FY2024 PROPOSED BUDGET	FY2024 YTD Actuals	FY2024 ENCUMBRANCES	FY2024 PROJECTION	FY2024 AVAILABLE BUDGET
Ad Valorem Taxes	\$ 12,184,032	\$ 9,177,593		\$ 11,668,973	\$ 3,006,439
Tax Increment Financing (TIF)	1,952,514	1,954,311		2,443,401	(1,797)
Delinquent Ad Valorem Taxes	5,000	(145)		(57)	5,145
Sales and Use Taxes	3,632,682	1,205,216		3,853,037	2,427,466
Licenses and Permits	5,846,630	1,441,321		5,339,074	4,405,309
Impact Fees	105,500	38,005		108,338	67,495
Intergovernmental	14,701,120	787,893		9,332,709	13,913,227
Charges for services	1,195,050	280,519		1,077,219	914,531
Fines and Forfeitures	109,400	21,979		94,912	87,421
Investment Income	391,170	710,336		1,018,709	(319,166)
Contributions	3,880	5,232		7,819	(1,352)
Miscellaneous income	5,201	17,351		20,819	(12,150)
TOTAL REVENUES	40,132,179	15,639,611	-	34,964,953	24,492,568
<i>check figures.</i>	<i>40,132,179</i>	<i>15,639,611</i>	<i>-</i>	<i>34,964,953</i>	<i>24,492,568</i>
General Government	5,257,418	1,496,248	133,421	5,109,249	3,627,749
Public Safety	5,579,013	1,663,886	2,273,604	5,623,689	1,641,524
Physical Environment	554,415	101,272	105,601	519,587	347,542
Transportation	2,278,629	634,890	35,461	2,105,973	1,608,278
Economic Environment	409,945	52,318	69,389	329,419	288,238
Health & Human Services	107,537	13,990	81,432	165,642	12,116
Culture and Recreation	5,352,225	1,504,474	138,448	5,001,131	3,709,303
Debt Service	3,364,660	577,951	-	3,362,263	2,786,709
Capital Outlay	52,638,956	11,033,282	5,901,068	45,627,802	35,704,606
TOTAL EXPENDITURES	75,542,799	17,078,311	8,738,423	67,844,755	49,726,064
Excess (deficiency) of revenues over expenditures	(35,410,619)	(1,438,699)		(32,879,802)	
Proceeds from issuance of debt	25,421,123	-	-	25,404,456	25,421,123
Transfers In	52,059,779	9,592,588		49,868,785	42,467,191
Transfers Out	(52,059,781)	(9,592,588)		(50,034,452)	(42,467,193)
Total other financing sources (uses)	25,421,121	-	-	25,238,789	25,421,121
Net change in fund balances	(9,989,498)	(1,438,699)		(7,641,012)	
Fund Balance, Beginning	47,813,655	47,813,654		47,813,655	
Fund Balance, Ending	37,824,157	46,374,953		40,172,643	

*FY2024 BUDGET is the Adopted Budget plus prior year encumbrances rolled forward

FUND BALANCE SUMMARY ALL FUNDS	FY2024 PROPOSED BUDGET	FY2024 YTD Actuals	FY2024 PROJECTION
Nonspendable (Town Center CRA + prepaids)	2,361,624	2,484,588	2,262,544
Restricted (FL Statute & Debt Covenants)	2,660,871	5,814,954	4,720,672
Committed (Council Resolutions & Motions)	18,130,901	16,411,459	17,672,423
Assigned (contracts/PO balances)	3,085,933	7,991,835	5,194,693
<i>Unassigned</i>	<i>11,584,828</i>	<i>13,672,116</i>	<i>10,322,312</i>
Ending Fund Balance	37,824,157	46,374,953	40,172,643

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	FY2024				FY2024
01 GENERAL FUND	PROPOSED	FY2024	FY2024	FY2024	AVAILABLE
	BUDGET	YTD Actuals	ENCUMBRANCES	PROJECTION	BUDGET
01-31 Ad Valorem Taxes	11,073,047	8,066,608		10,063,958	3,006,439
01-31 Delinquent Ad Valorem Taxes	5,000	(145)		(57)	5,145
01-31 Sales and Use Taxes	1,639,411	628,431		1,694,033	1,010,980
01-32 Licenses and Permits	3,754,770	854,347		3,357,527	2,900,423
01-32 Impact Fees	-	-		-	-
01-33 Intergovernmental	3,706,814	773,758		3,249,769	2,933,056
01-34 Charges for Services	615,310	187,496		597,703	427,814
01-35 Fines and Forfeitures	109,400	21,979		94,912	87,421
01-36 Investment Income	373,930	518,860		768,146	(144,930)
01-36 Contributions	3,880	5,232		7,819	(1,352)
01-36 Miscellaneous Income	5,201	6,950		10,418	(1,749)
TOTAL REVENUES	21,286,763	11,063,516	-	19,844,227	10,223,247
01-51 General Government	4,891,922	1,496,248	133,421	4,743,753	3,262,253
01-52 Public Safety	4,266,269	1,311,852	2,268,645	4,405,782	685,772
01-53 Physical Environment	529,415	101,272	105,601	502,920	322,542
01-54 Transportation	2,119,822	622,758	35,461	1,987,970	1,461,603
01-55 Economic Environment	14,600	3,613	-	13,346	10,987
01-56 Health & Human Services	107,537	13,990	81,432	165,642	12,116
01-57 Culture and Recreation	5,352,225	1,504,474	138,448	5,001,131	3,709,303
01-59 Capital Outlay	146,560	15,530	-	113,237	131,030
01-59 Debt Service Principal	18,814	4,858	-	17,401	13,956
01-59 Debt Service Interest	3,909	249	-	2,855	3,660
TOTAL EXPENDITURES	17,451,073	5,074,844	2,763,007	16,954,037	9,613,222
Excess (deficiency) of revenues over expenditures	3,835,690	5,988,672		2,890,191	
01-38 Proceeds from Issuance of Debt	50,000	-		33,333	50,000
01-38 Transfers In	8,600,000	-		8,600,000	8,600,000
01-58 Transfers Out	(15,804,023)	(9,052,550)		(13,959,674)	(6,751,474)
Total other financing sources (uses)	(7,154,023)	(9,052,550)		(5,326,341)	1,898,526
01 Net change in fund balances	(3,318,334)	(3,063,878)		(2,436,150)	
01 Fund Balance (deficit), Beginning	32,374,606	32,374,606		32,374,606	
01 Fund Balance (deficit), Ending	29,056,272	29,310,728		29,938,456	

Minimum target: 12,005,555
as per resolution 12-20 fund balance policy

102 TOWN CENTER CRA 1998-2037 (RESTRICTED; ECON DEV)	FY2024 PROPOSED BUDGET	FY2024 YTD Actuals	FY2024 ENCUMBRANCES	FY2024 PROJECTION	FY2024 AVAILABLE BUDGET
102-31 County TIF	1,463,424	1,461,280		1,461,280	2,144
102-31 City TIF (Ad Valorem)	616,955	616,955		616,955	-
102-36 Investment Income	1,350	17,158		18,058	(15,808)
TOTAL REVENUES	2,081,729	2,095,393		2,096,293	(13,664)
102-55 Economic Environment	224,262	33,687	31,861	183,521	158,714
102-59 Capital Outlay	373,738	120,918	252,820	373,738	-
TOTAL EXPENDITURES	598,000	154,605	284,681	557,259	158,714
Excess (deficiency) of revenues over expenditures	1,483,729	1,940,787		1,539,034	
102-38 Transfers In	-	-		-	-
102-58 Transfers Out	(961,660)	(243,951)		(961,660)	(717,709)
Total other financing sources (uses)	(961,660)	(243,951)		(961,660)	(717,709)
102 Net change in fund balances	522,069	1,696,837		577,374	
102 Fund Balance (deficit), Beginning	(963,746)	(963,746)		(963,746)	
102 Fund Balance (deficit), Ending	(441,678)	733,091		(386,372)	

110 HARBOR CRA 2003-2043 (RESTRICTED; ECON DEV)	FY2024 PROPOSED BUDGET	FY2024 YTD Actuals	FY2024 ENCUMBRANCES	FY2024 PROJECTION	FY2024 AVAILABLE BUDGET
110-31 County TIF	489,090	493,032		982,122	(3,942)
110-31 City TIF (Ad Valorem)	494,030	494,030		988,060	-
110-36 Miscellaneous Income	-	10,401		10,401	(10,401)
110-36 Investment Income	1,450	5,912		6,879	(4,462)
TOTAL REVENUES	984,570	1,003,375		1,987,462	(18,805)
110-55 Economic Environment	171,083	15,018	37,528	132,552	118,536
110-59 Capital Outlay	9,100,000	9,028,088	-	9,028,088	71,912
TOTAL EXPENDITURES	9,271,083	9,043,106	37,528	9,160,640	190,448
Excess (deficiency) of revenues over expenditures	(8,286,513)	(8,039,731)		(7,173,178)	
110-38 Transfers In	17,501,307	8,500,000		17,501,307	9,001,307
110-58 Transfers Out	(9,336,335)	(161,522)		(9,336,912)	(9,174,813)
Total other financing sources (uses)	8,164,972	8,338,478		8,164,395	(173,506)
110 Net change in fund balances	(121,541)	298,747		991,217	
110 Fund Balance (deficit), Beginning	730,649	730,649		730,649	
110 Fund Balance (deficit), Ending	609,108	1,029,396		1,721,866	

111 FLORIDA BUILDING CODE FUND (RESTRICTED; PUBLIC SAFETY)	FY2024 PROPOSED BUDGET	FY2024 YTD Actuals	FY2024 ENCUMBRANCES	FY2024 PROJECTION	FY2024 AVAILABLE BUDGET
111-32 Licenses and Permits	1,021,940	318,011		999,305	703,929
111-36 Investment Income	130	4,107		4,193	(3,977)
TOTAL REVENUES	1,022,070	322,118		1,003,498	699,952
111-52 Public Safety	1,262,744	352,032	4,959	1,184,572	905,753
111-59 Capital Outlay	116,000	-	56,750	172,750	59,250
TOTAL EXPENDITURES	1,378,744	352,032	61,709	1,357,322	965,003
Excess (deficiency) of revenues over expenditures	(356,674)	(29,914)		(353,824)	
111-38 Transfers In	-	-		-	-
111-58 Transfers Out	(98,671)	(17,939)		(83,720)	(80,732)
Total other financing sources (uses)	(98,671)	(17,939)		(83,720)	(80,732)
111 Net change in fund balances	(455,345)	(47,854)		(437,544)	
111 Fund Balance (deficit), Beginning	342,260	342,260		342,260	
111 Fund Balance (deficit), Ending	(113,086)	294,406		(95,284)	

Need to increase Permit Fees

122 PARKING FUND (COMMITTED; TRANSPORTATION)	FY2024 PROPOSED BUDGET	FY2024 YTD Actuals	FY2024 ENCUMBRANCES	FY2024 PROJECTION	FY2024 AVAILABLE BUDGET
122-34 Charges for Services	579,740	93,023		479,516	486,717
122-36 Investment Income	440	9,005		9,299	(8,565)
TOTAL REVENUES	580,180	102,028		488,815	478,152
122-54 Transportation	158,807	12,133	-	118,004	146,674
122-59 Capital Outlay	585,340	-	60,340	585,340	525,000
TOTAL EXPENDITURES	744,147	12,133	60,340	703,344	671,674
Excess (deficiency) of revenues over expenditures	(163,967)	89,896		(214,529)	(193,523)
122-38 Transfers In	-	-		-	-
122-58 Transfers Out	-	-		-	-
Total other financing sources (uses)	-	-		-	-
122 Net change in fund balances	(163,967)	89,896		(214,529)	
122 Fund Balance (deficit), Beginning	1,030,856	1,030,856		1,030,856	
122 Fund Balance (deficit), Ending	866,889	1,120,752		816,327	

125 TECH FUND (COMMITTED; PUBLIC SAFETY)	FY2024 PROPOSED BUDGET	FY2024 YTD Actuals	FY2024 ENCUMBRANCES	FY2024 PROJECTION	FY2024 AVAILABLE BUDGET
125-36 Investment Income	420	5,446		5,726	(5,026)
TOTAL REVENUES	420	5,446		5,726	(5,026)
125-52 Public Safety	50,000	1	-	33,335	49,999
125-59 Capital Outlay	85,000	5,135	12,603	112,738	67,262
TOTAL EXPENDITURES	135,000	5,136	12,603	146,072	117,261
Excess (deficiency) of revenues over expenditures	(134,580)	310		(140,346)	
125-38 Transfers In	213,395	25,635		153,945	187,760
125-58 Transfers Out	-	-		-	-
Total other financing sources (uses)	213,395	25,635		153,945	187,760
125 Net change in fund balances	78,815	25,945		13,599	
125 Fund Balance (deficit), Beginning	442,346	442,346		442,346	
125 Fund Balance (deficit), Ending	521,161	468,291		455,945	

127 WATER QUALITY IMPROVEMENT FUND (ENVIRONMENT; RESTRICTED)	FY2024 PROPOSED BUDGET	FY2024 YTD Actuals	FY2024 ENCUMBRANCES	FY2024 PROJECTION	FY2024 AVAILABLE BUDGET
127-32 Licenses and Permits	49,160	5,288		38,061	43,873
127-36 Investment Income	320	4,635		4,848	(4,315)
TOTAL REVENUES	49,480	9,922	-	42,909	39,558
127-53 Physical Environment	25,000	-	-	16,667	25,000
127-53 Capital Outlay	259,938	58,343	124,523	182,866	77,072
TOTAL EXPENDITURES	284,938	58,343	124,523	199,533	102,072
Excess (deficiency) of revenues over expenditures	(235,458)	(48,421)		(156,624)	
127-38 Transfers In	-	-		-	-
127-58 Transfers Out	-	-		-	-
Total other financing sources (uses)	-	-		-	-
127 Net change in fund balances	(235,458)	(48,421)		(156,624)	
127 Fund Balance (deficit), Beginning	394,723	394,723		394,723	
127 Fund Balance (deficit), Ending	159,265	346,302		238,099	

129 OKA 1/2 PENNY 01/01/2019-12/31/2029 (COMMITTED; CAPITAL OUTLAYS)	FY2024 PROPOSED BUDGET	FY2024 YTD Actuals	FY2024 ENCUMBRANCES	FY2024 PROJECTION	FY2024 AVAILABLE BUDGET
129-31 Sales and Use Taxes	1,726,259	493,807		1,898,018	1,232,452
129-36 Investment Income	4,760	57,572		60,746	(52,812)
TOTAL REVENUES	1,731,019	551,379		1,958,764	1,179,640
129-59 Capital Outlay	2,807,981	35,434	875,157	1,839,790	1,897,390
TOTAL EXPENDITURES	2,807,981	35,434	875,157	1,839,790	1,897,390
Excess (deficiency) of revenues over expenditures	(1,076,962)	515,945		118,973	
129-38 Transfers In	-	-		-	-
129-58 Transfers Out	(353,648)	(116,627)		(353,648)	(237,021)
Total other financing sources (uses)	(353,648)	(116,627)		(353,648)	(237,021)
129 Net change in fund balances	(1,430,610)	399,318		(234,674)	
129 Fund Balance (deficit), Beginning	5,715,003	5,715,003		5,715,003	
129 Fund Balance (deficit), Ending	4,284,394	6,114,321		5,480,328	

213 DEBT SERVICE 2013 NOTE (RESTRICTED; DEBT SERVICE)	FY2024 PROPOSED BUDGET	FY2024 YTD Actuals	FY2024 ENCUMBRANCES	FY2024 PROJECTION	FY2024 AVAILABLE BUDGET
213-36 Investment Income	250	2,449		2,615	(2,199)
TOTAL REVENUES	250	2,449		2,615	(2,199)
213-59 Debt Service Principal	436,296	1	-	436,297	436,295
213-59 Debt Service Interest	117,275	-	-	117,275	117,275
TOTAL EXPENDITURES	553,571	1	-	553,572	553,570
Excess (deficiency) of revenues over expenditures	(553,321)	2,448		(550,956)	
213-38 Transfers In	553,571	184,524		553,571	369,047
213-58 Transfers Out	-	-		-	-
Total other financing sources (uses)	553,571	184,524		553,571	369,047
213 Net change in fund balances	250	186,972		2,615	
213 Fund Balance (deficit), Beginning	93,987	93,987		93,987	
213 Fund Balance (deficit), Ending	94,237	280,959		96,602	

214 DEBT SERVICE 2014 NOTE (RESTRICTED; DEBT SERVICE)	FY2024 PROPOSED BUDGET	FY2024 YTD Actuals	FY2024 ENCUMBRANCES	FY2024 PROJECTION	FY2024 AVAILABLE BUDGET
214-36 Investment Income	300	3,918		4,118	(3,618)
TOTAL REVENUES	300	3,918		4,118	(3,618)
214-59 Debt Service Principal	457,081	1		457,082	457,080
214-59 Debt Service Interest	274,771	137,385		274,771	137,386
TOTAL EXPENDITURES	731,852	137,386	-	731,852	594,466
Excess (deficiency) of revenues over expenditures	(731,552)	(133,468)		(727,734)	
214-38 Transfers In	731,852	243,951		731,928	487,901
214-58 Transfers Out	-	-		-	-
Total other financing sources (uses)	731,852	243,951		731,928	487,901
214 Net change in fund balances	300	110,483		4,194	
214 Fund Balance (deficit), Beginning	247,434	247,434		247,434	
214 Fund Balance (deficit), Ending	247,734	357,917		251,628	

221 DEBT SERVICE 2021 NOTE (RESTRICTED; DEBT SERVICE)	FY2024 PROPOSED BUDGET	FY2024 YTD Actuals	FY2024 ENCUMBRANCES	FY2024 PROJECTION	FY2024 AVAILABLE BUDGET
221-36 Investment Income	40	544		571	(504)
TOTAL REVENUES	40	544		571	(504)
221-59 Debt Service Principal	1,232,000	409,069		1,232,069	822,931
221-59 Debt Service Interest	74,514	26,388		74,514	48,126
221-51 General Government	-	-		-	-
TOTAL EXPENDITURES	1,306,514	435,457	-	1,306,583	871,057
Excess (deficiency) of revenues over expenditures	(1,306,474)	(434,913)		(1,306,013)	
221-38 Transfers In	1,306,514	435,388		1,306,514	871,126
221-58 Transfers Out	-	-		-	-
221-38 Proceeds from issuance of debt	-	-		-	-
Total other financing sources (uses)	1,306,514	435,388		1,306,514	871,126
221 Net change in fund balances	40	475		502	
221 Fund Balance (deficit), Beginning	807	807		807	
221 Fund Balance (deficit), Ending	847	1,282		1,309	

300 RENEWAL AND REPLACEMENT (COMMITTED; CAPITAL OUTLAYS)	FY2024 PROPOSED BUDGET	FY2024 YTD Actuals	FY2024 ENCUMBRANCES	FY2024 PROJECTION	FY2024 AVAILABLE BUDGET
300-36 Investment Income	2,360	28,983		76,983	(26,623)
TOTAL REVENUES	2,360	28,983		76,983	(26,623)
300-59 Capital Outlay	5,318,373	700,582	3,082,310	7,134,151	1,535,481
TOTAL EXPENDITURES	5,318,373	700,582	3,082,310	7,134,151	1,535,481
Excess (deficiency) of revenues over expenditures	(5,316,013)	(671,599)		(7,057,168)	
300-38 Transfers In	3,986,926	184,246		3,952,188	3,802,680
300-58 Transfers Out	-	-		-	-
Total other financing sources (uses)	3,986,926	184,246		3,952,188	3,802,680
300 Net change in fund balances	(1,329,087)	(487,352)		(3,104,980)	
300 Fund Balance (deficit), Beginning	2,252,268	2,252,268		2,252,268	
300 Fund Balance (deficit), Ending	923,181	1,764,916		(852,713)	

305 GRANT AND GF CAPITAL PROJECT FUND (RESTRICTED; CAPITAL OUTLAYS)	FY2024 PROPOSED BUDGET	FY2024 YTD Actuals	FY2024 ENCUMBRANCES	FY2024 PROJECTION	FY2024 AVAILABLE BUDGET
305-33 Intergovernmental	10,244,306	14,135		5,332,940	10,230,171
305-36 Contributions	-	-		-	-
TOTAL REVENUES	10,244,306	14,135		5,332,940	10,230,171
305-53 Physical Environment	-	-	-	-	-
305-59 Capital Outlay	12,423,077	162,116	1,236,522	5,740,557	11,024,438
TOTAL EXPENDITURES	12,423,077	162,116	1,236,522	5,740,557	11,024,438
Excess (deficiency) of revenues over expenditures	(2,178,770)	(147,981)		(407,617)	
305-38 Transfers In	2,178,770	18,845		413,097	2,159,925
305-58 Transfers Out	-	-		-	-
Total other financing sources (uses)	2,178,770	18,845		413,097	2,159,925
305 Net change in fund balances	-	(129,136)		5,480	
305 Fund Balance (deficit), Beginning	(0)	(0)		(0)	
305 Fund Balance (deficit), Ending	(0)	(129,136)		5,481	

315 IMPACT AND OTHER RESTRICTED (CAPITAL OUTLAYS)	FY2024 PROPOSED BUDGET	FY2024 YTD Actuals	FY2024 ENCUMBRANCES	FY2024 PROJECTION	FY2024 AVAILABLE BUDGET
315-32 Impact Fees	105,500	38,005		108,338	67,495
315-32 Licenses and Permits	1,020,760	263,675		944,181	757,085
315-31 Sales and Use Taxes	267,012	82,978		260,986	184,034
315-36 Investment Income	1,870	51,747		52,993	(49,877)
315-36 Miscellaneous Revenue	-	-		-	-
TOTAL REVENUES	1,395,142	436,404		1,366,499	958,738
315-53 Physical Environment	-	-	-	-	-
315-59 Capital Outlay	5,418,631	907,136	200,043	4,340,229	4,311,452
TOTAL EXPENDITURES	5,418,631	907,136	200,043	4,340,229	4,311,452
Excess (deficiency) of revenues over expenditures	(4,023,489)	(470,731)		(2,973,730)	
315-38 Transfers In	-	-		-	-
315-58 Transfers Out	(499,817)	-		(333,211)	(499,817)
Total other financing sources (uses)	(499,817)	-	-	(333,211)	(499,817)
315 Net change in fund balances	(4,523,306)	(470,731)		(3,306,941)	
315 Fund Balance (deficit), Beginning	5,152,462	5,152,462		5,152,462	
315 Fund Balance (deficit), Ending	629,156	4,681,731		1,845,521	

CITY OF DESTIN



AGENDA ITEM

COUNCIL MEETING DATE: March 18, 2024

TYPE OF AGENDA ITEM: City Manager Report

AGENDA OUTLINE NUMBER: 4.F.

TO: City Council

THRU: Louis Zunguze, Interim City Manager
Kimberly Kopp, City Attorney

FROM: Krystal Strickland, Finance Director
Jeffrey Cozadd, Grants Manager
Michael Burgess, Public Services Director
Lisa Firth, Parks & Rec Director
Ryan Scott, City Engineer

DATE: March 11, 2024

SUBJECT: Capital Project Status - **Informational Only**

I. BACKGROUND: This item is informational only.

II. DISCUSSION: Please find attached a summary of the current capital improvement projects, showing status and Year-to-Date expenditures and encumbrances.

A. Link to Strategic Goals / Objectives: 1. Financially sound city providing service excellence

B. Effect on Budget (EOB):

C. Level of Service (LOS):

D. Legislative Sponsor:

III. CONCLUSION:

IV. RECOMMENDED MOTION: Not applicable. Informational only.

Attachments:

1. 2024 0311 Monthly Capital Project Status Report

CITY OF DESTIN CAPITAL IMPROVEMENT PLAN - Monthly Status Report

COUNCIL/ MGMT OBJECTIVE	October 1, 2023 to March 11, 2024		FY2024 Budget*	YTD Actuals	YTD Encumbrances	FY2024 Available Budget	Status	Notes
PRIORITY	Citizen/Council Directed							
1.6	EN615	Cross-Town Connector	\$ 8,971,661	\$ 193,014	\$ 23,020	\$ 8,755,627	Ongoing	Demolition complete. Need PD&E decision from Council to move permitting process forward, which will result in a design-engineering change order from Atkins.
1.2	CM001	Crystal Beach Acquisition & Development	5,000,031	-	30,409	4,969,622	Paused	Crystal Beach purchased and cleared. TDC has presented the 30% beach park design. Design paused pending potential acquisition.
1.2	CM002	Tarpon Beach Acquisition & Development	768,830	28,271	4,694	735,865	Ongoing	County has provided 90% specifications, stormwater plan, and opinion of probable cost to the city for committees (February 2024 routing), development order (March 2024) and for Council to approve (April 2024).
1.1	CENTR	City Center Feasibility/Planning/Design	155,000	-	155,000	-	Ongoing	Council agreed to Synalovski Romanik Saye (SRS). Preliminary data gathering and fact-finding meetings underway.
1.2	HRB1	Land Acquisition 1 Harbor Blvd	9,231,568	9,028,088	-	203,480	Complete	Closed on property 10/17/23, property has been secured. Additional safety fencing under review.
1.3	UNDER	Undergrounding	17,059,006	738,526	833,181	15,487,299	Ongoing	Survey was ordered and completed. 94/102 (92%) easements have letters of intent. Completed 17/48 surveys to finalize and record easements. RFP for construction bid results to be presented 3/25/24 at a special council meeting.
1.11	MARIN	City Marina	-	-	-	-	Paused	Funds moved moved to CENTR
1.5	CRH60	Pedestrian Pathway Under the Marler Bridge	149,571	4,148	145,423	-	Paused	Baskerville-Donovan engineering firm presented 60% design. FDOT is reconsidering project as it may align with bridge renovation plans. Combining task order to Baskerville Donovan with EN617 US98/Stahlman Intersection PD&E Study.
1.4	EN617	US98/Stahlman Intersection (Study Marler Bridge to Airport Road)	71,210	4,157	67,054	-	Paused	PD&E study began September 2023, paused while renegotiating Baskerville-Donovan contracts for Harbor area work. Proposal will be brought forth to a meeting in April 2024.
	Renewal & Replacement							
3.2	RR051	General Government	166,426	9,265	-	157,161	Ongoing	City Hall HVAC replaced. City Hall Portico RFP to be released Spring 2024. Roof to be reseal/paint RFP in Spring 2024.
3.2	RR052	Public Safety	241,806	9,265	-	232,541	Ongoing	City Hall HVAC replaced. Quotes received to replace HVAC at Sheriff's Substation.
3.2	RR053	Physical Environment (Stormwater, Cemetery)	224,938	37,763	112,175	75,000	Ongoing	Harbor flap valve quotes requested. Plan to order March 2024

COUNCIL/ MGMT OBJECTIVE	October 1, 2023 to March 11, 2024		FY2024 Budget*	YTD Actuals	YTD Encumbrances	FY2024 Available Budget	Status	Notes
3.7, 3.9	RR054	Roads, Sidewalks, Street Lighting (Gas Tax 1 + GF RR Fund)	2,965,178	55,442	2,621,299	288,437	Ongoing	Legion Dr (Main Street to Beach Dr), Matthew Blvd and a short section of John Ave), and Moreno Point Rd are underway. Main St, Zerbe, and Calhoun Ave remain.
3.2	RR571	Library	127,500	81,495	8,732	37,273	Ongoing	Carpet is installed. Heat Pump #1 in process of replacement.
3.2	RR572	Parks and Recreation	817,247	187,736	83,697	545,814	Ongoing	An HVAC unit on Community Center was replaced. Sod is finished. Window replacement for Morgans SC building to start soon. Lighting at Morgans is under review.
3.2	RR573	Other Facilities (i.e. Museum)	4,500	-	-	4,500	Ongoing	
3.2	RRVEH	Prior Year Replacement Vehicles Ordered	478,848	262,552	216,296	-	Ongoing	Dumptruck, Bronco, Sprayer & Blower ordered in prior years anticipated to arrive Spring 2024.
3.2	RRV11	Replace Building Fund Vehicles	76,000	-	56,750	19,250	Ongoing	Two replacement vehicles ordered.
3.2	RRV51	Replace General Government Vehicle	23,000	-	-	23,000	Ongoing	
3.2	RRV54	Replace Public Works Vehicles	365,000	239,877	-	125,123	Ongoing	2024 Ford F750 Urban Forestry Unit. Received mid December
3.2	RRV57	Replace Parks & Rec Vehicles	113,000	-	28,375	84,625	Ongoing	See 01/08/24 consent agenda. Ford Maverick ordered January 2024 for Spring delivery. Gators on agenda for 3/18/24 meeting.
	Growth Necessitated & Comp Plan		-	-	-	-		
	CE002	Code Enforcement Equipment	30,000	6,276	-	23,724	Ongoing	Communication equipment on order.
	LB002	Library Impact Fee Projects	190,000	-	-	190,000	Ongoing	Staff Parking expansion: engineering working on design, library has chosen light fixtures for staff parking and ADA parking. Photometric plans from FPL needed to permit.
1.7	TR619	Sibert-Zerbe Parking Lot Consolidation	525,000	-	-	525,000	Paused	Area might be used as staging for undergrounding (if first options don't realize)
3.9	TR620	ADA Transition - Pedestrian Facilities	23,094	15,073	8,022	-	Ongoing	Final deliverables received December 2023.
	Other Capital Projects		-	-	-	-		
	ARP	Stormwater Infrastructure Projects	1,040,333	27,500	758,418	254,415	Ongoing	Projects 95% complete include Juanita Ave, Benning at Sibert and Benning at Bay, 541 Sibert. Indian Bayou project started.
	BDVEH	New Vehicle for Building Inspection Dept (Building Fund)	40,000	-	-	40,000		Approved on 01/08/24 consent agenda. Encumbrance in process
	CEVEH	New Vehicle for Code Enforcement (expanding department)	46,000	-	46,018	(18)		Approved on 01/08/24 consent agenda. Ordered in February 2024.
4.15	CRT17	Destin Multi-Use Trail	500,191	184,551	315,640	-	Ongoing	DAG is working on the design. Public Workshop was held in December. 30% design brought to Council January 22. 60% design in process.
	DREDG	Dredge Harbor Channel (study plus dredging)	110,100	20,580	-	89,520	Ongoing	Bathymetric study data has been submitted to City. Internal design is completed. Three quotes attained (\$500k- \$1.3m). Financing options under review including potential partnership with County.
	HURRC	Hurricane Response	100,000	13,325	30,000	56,675		January 2024 storm cleanup.

COUNCIL/ MGMT OBJECTIVE	October 1, 2023 to March 11, 2024		FY2024 Budget*	YTD Actuals	YTD Encumbrances	FY2024 Available Budget	Status	Notes
	IT003	Other Hardware/Software Replacements	140,000	-	-	140,000	Ongoing	UKG chosen to install timekeeping system. To replace Fin, asset management, and customer portal: reviewed Aclarian, BS&A, Central Square, Springbrook, Iworq, OPENGOV and GoGOV. No response from Intuit. Council to be briefed on Tyler in April.
	IT004	Council Chambers Audio-Video	30,000	10,201	17,846	1,954	Ongoing	Three TV/monitors replaced; camera replaced, final items on order.
	PE003	Vulnerability Assessment	226,000	9,495	60,505	156,000	Completed	Kick Off meeting held 10/31. Public workshop was held in January. Grant Amendment #1 to increase grant presented 2/20/24. 3/18/24 meeting proposing increase to Dewberry (change order #1).
	RC124	Morgan's Children's Park Playground Structure	100,000	-	-	100,000	Ongoing	Plaground contractor is working on a design (and quote) to best fit our budget. A new contractor is looking into an exciting new module with easier maintenance. 3/18/24
	RC125	Buck Destin Restrooms	199,544	-	99,544	100,000	Ongoing	Modular components on order. Sanitary sewer and drinking water systems need updated before installation. Development order issued. Negotiating with Matrix for assistance with project management, engineering, and construction oversight.
4.16	RC127	Pickleball Court	455,310	28,010	22,140	405,160	Ongoing	30% designs shared with Parks & Rec and Council in January. Jenkins is working on 60% designs.
	RC128	Morgan Sports Complex - Bathrooms/Fieldhouse	250,000	-	-	250,000	Paused	Storage building design is consolidated with bathroom/fieldhouse design. On pause 'til Pickleball and Buck Destin bathrooms moved to another project manager.
	RC130	Morgan Sports Complex - Storage	200,000	-	-	200,000	Paused	Storage building design is consolidated with bathroom/fieldhouse design. On pause 'til Pickleball and Buck Destin bathrooms moved to another project manager.
	RC129	Morgan Sports Complex - Field Lighting (LED)	255,000	-	-	255,000	Ongoing	Will hire a GC to manage project.
4.11	RC216	Clement Taylor Park Renovations	1,603,423	-	7,243	1,596,180	Ongoing	Awaiting subaward from County. Construction RFP has been reviewed/approved by Council. RFP was sent to County/Treasury for their approval.
	SW56	Outfall at Mattie Kelly Pier	175,000	-	-	175,000		Staff will engage a continuing services contractor to begin this project March/April 2024. Design/permitting contract to be brought to Council late March/April.
	SW57	Clement Taylor Park Strmwtr Mitigation	4,840	-	-	4,840	Closed	Secondary review show facilities are functioning adequately. Staff propose transferring these funds (1/2 Penny) to address Outfall at Mattie Kelly Pier.
	SW58	Chickasaw Strmwtr Remediation	600,000	-	-	600,000	Ongoing	Coordinating with H&T to replace pipe.
	TRSAF	Intersection Safety	104,888	2,500	2,388	100,000	Ongoing	Committee to discuss at 3/12/24 meeting
	XMAS	Capitalizable Christmas Décor	28,643	28,643	-	-	Completed	Items received mid-December.
		Total Projects	53,987,685	11,225,750	5,753,868	37,008,067		

CITY OF DESTIN 5-YEAR CAPITAL IMPROVEMENT PLAN

STRATEGIC OBJECTIVE			PY Encumbrances rolling forward						
			08/14/23	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	Total
	PRIORITY	Citizen/Council Directed							
	1.2	HRB1 1 Harbor Blvd/1 Calhoun Waterfront Land	\$ -	\$ 9,100,000	\$ -	\$ -	\$ -	\$ -	\$ 9,100,000
	1.3	UNDER Undergrounding	894,344	16,000,885	-	-	-	-	16,000,885
	1.6	EN615 Cross-Town Connector	43,485	9,003,151	-	-	-	-	9,003,151
	1.2	CM001 Beach Acquisition/Beach Park Development	81,826	4,969,622	-	-	-	-	4,969,622
	5.2	DREDG Dredge Harbor	-	110,100	-	-	-	-	110,100
	1.7	TR619 Sibert-Zerbe Parking Lot Consolidation	-	525,000	-	-	-	-	525,000
	1.1	CENTR City Center - Concept Design	-	50,000	-	-	-	-	50,000
	1.11	MARIN City Marina	-	50,000	-	-	-	-	50,000
	1.10	TR621 Transit: Trolley, Ferry	-	-	-	-	-	-	-
	xxx	SW56 Mattie Kelly Naturewalk Outfall	-	175,000	1,200,000	-	-	-	1,375,000
		Renewal & Replacement							
	3.2	RR051 General Government	1,207	155,000	194,160	15,120	-	-	364,280
	3.2	RR052 Public Safety	8,369	230,380	-	126,760	53,200	-	410,340
	3.2	RR053 Physical Environment (Stormwater, Cemetery)	149,938	75,000	750,000	74,000	-	-	899,000
	3.7	RR054 Roads, Sidewalks, Street Lighting	300,884	2,537,780	1,076,200	1,082,100	1,088,100	1,094,200	6,878,380
	3.2	RR056 Human Services (Food4Thought Bldg)	-	-	6,760	-	-	-	6,760
	3.2	RR571 Library	-	127,500	-	14,580	-	8,700	150,780
	3.2	RR572 Parks and Recreation	67,453	749,922	230,400	114,050	402,200	394,000	1,890,572
	3.2	RR573 Other Facilities (i.e. Museum)	-	4,500	-	-	-	6,960	11,460
	3.2	RRV11 Vehicles for Bldg Inspectors	-	76,000	-	-	-	45,600	121,600
	3.2	RRV51 Vehicles for General Government	-	23,000	-	33,600	-	45,600	102,200
	3.2	RRV52 Vehicles for Public Safety (Code)	-	-	41,040	-	88,160	45,600	174,800
	3.2	RRV54 Vehicles for Public Works	-	365,000	41,040	33,600	-	162,000	601,640
	3.2	RRV57 Vehicles for Parks & Recreation	-	113,000	89,640	-	44,080	-	246,720
	3.2	RRVEH Vehicles	670,331	-	-	-	-	-	-
		Growth Necessitated & Comp Plan							
	5.4	CE002 Code Enforcement Equipment	-	30,000	20,000	-	-	-	50,000
	1.5	CRH60 Pedestrian Pathway Under Marler Bridge	149,571	-	-	-	-	-	-
	1.4	EN617 Stahlman/US98 Intersection	-	-	-	-	-	-	-
	5.3	LB002 Library Impact Fee Projects	-	190,000	-	-	-	-	190,000
	xxx	TR620 ADA Transition - Pedestrian Facilities	25,487	-	-	-	-	-	-
	1.7	TR622 General Parking Improvements	-	-	75,000	-	-	-	75,000
		Other Capital Projects							
	4.14	ARP Stormwater Infrastructure Projects	734,853	312,000	-	-	-	-	312,000
	5.5	BDVEH New Inspector Vehicles	-	40,000	-	-	-	-	40,000
	5.4	CEVEH New Code Enforcement Vehicles	-	46,000	-	-	-	-	46,000
	4.8	CRH63 Captain Royal Melvin Heritage Park and Plaza	9,614	-	-	-	-	-	-
	4.15	CRT17 Destin Multi-Use Trail	570,000	-	-	1,000,000	-	-	1,000,000
	5.6	HURRIC Hurricane Response	-	100,000	-	-	-	-	100,000

STRATEGIC OBJECTIVE			PY Encumbrances rolling forward						
			08/14/23	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	Total
xxx	IT003	Other Hardware/Software Replacements	-	170,000	-	-	-	-	170,000
5.1	RC124	Morgan Children's Park Playground Structure	-	100,000	-	-	-	-	100,000
xxx	RC125	Buck Destin Restrooms	99,544	100,000	-	-	-	-	100,000
4.16	RC127	Pickleball Court	-	350,000	-	-	-	-	350,000
5.1	RC128	Morgan Bathrooms/Storage/Fieldhouse	-	250,000	-	-	-	-	250,000
5.1	RC129	Morgan - Field Lighting (LED)	-	255,000	175,000	75,000	-	-	505,000
5.1	RC130	Morgan - Artificial Infields	-	200,000	400,000	-	-	-	600,000
5.1	RC131	Morgan - Field Lining Robot	-	-	-	50,000	-	-	50,000
4.11	RC216	Clement Taylor Park Renovations	15,968	1,596,180	-	-	-	-	1,596,180
4.14	SW57	CTP Stormwater Mitigation	-	60,000	-	-	-	-	60,000
4.14	SW58	Chickasaw Ct Stormwater Remediation	-	600,000	-	-	-	-	600,000
5.7	TRSAF	Intersection Safety	62,500	100,000	100,000	100,000	100,000	100,000	500,000
xxx	XMAS	Holiday Decorations	35,804	-	-	-	-	-	-
Total Projects			\$ 3,921,176	\$ 48,940,020	\$ 4,399,240	\$ 2,718,810	\$ 1,775,740	\$ 1,902,660	\$ 59,736,470

Funding Sources			PY Encumbrances rolling forward						
			08/14/23	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	Total
General Fund	30058585	RR GENERAL	983,776	\$ 3,792,782	\$ 1,835,040	\$ 893,710	\$ 1,069,640	\$ 1,144,860	\$ 8,736,032
General Fund	30558500	GENERAL FUND	265,083	1,972,262	595,000	125,000	-	-	2,692,262
TC CRA	10258500	TOWN CENTER CRA	415,804	-	-	1,000,000	-	-	1,000,000
Harbor CRA	11058500	HARBOR CRA	-	9,100,000	-	-	-	-	9,100,000
Building Fund	11152441	BUILDING FUND	-	116,000	-	-	-	45,600	161,600
Parking Fund	12254500	PARKING FUND	60,340	525,000	75,000	-	-	-	600,000
Tech Fund	12552400	TECHNOLOGY FUND	-	85,000	-	-	-	-	85,000
Oka 1/2 Penny	12953831	OKA 1/2 STORMWATER	-	835,000	1,200,000	-	-	-	2,035,000
Oka 1/2 Penny	12953931	OKA 1/2 UNDERGROUNDING	894,344	1,000,000	-	-	-	-	1,000,000
Oka 1/2 Penny	12954100	OKA 1/2 PUBLIC WORKS & SAFETY	62,500	100,000	100,000	100,000	100,000	100,000	500,000
Oka 1/2 Penny	12957231	OKA 1/2 BEACH ACQ	-	-	-	-	-	-	-
Debt	32453900	2024 Bond Issuance	-	16,004,319	-	-	-	-	16,004,319
Gas Taxes	30054131	GAS TAX#1 RR ROADS	4,127	588,300	594,200	600,100	606,100	612,200	3,000,900
Gas Taxes	31554031	GAS TAX#2 COMP PLAN	-	1,000,000	-	-	-	-	1,000,000
Impact Fees	31552000	POLICE IMPACT FEES	-	10,000	-	-	-	-	10,000
Impact Fees	31554032	MULTI-MODAL IMPACT FEES	25,487	26,307	-	-	-	-	26,307
Impact Fees	31554132	ROAD IMPACT FEES	40,120	1,575,000	-	-	-	-	1,575,000
Impact Fees	31557132	LIBRARY IMPACT FEES	-	190,000	-	-	-	-	190,000
Impact Fees	31557232	PARK IMPACT FEES	-	474,000	-	-	-	-	474,000
Restricted	12753700	NPEB	149,938	110,000	-	-	-	-	110,000
Restricted	12753800	STORMWATER TRUST FUND	-	-	-	-	-	-	-

STRATEGIC OBJECTIVE			PY						
			Encumbrances rolling forward						
			08/14/23	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	Total
Franch fees	31553977	ELECTRIC FRANCHISE UNDERGROUNDING	-	2,000,000	-	-	-	-	2,000,000
Grant	30554100	BOCC XTOWN CONSTRUCTION	-	3,300,000	-	-	-	-	3,300,000
Grant	30554133	FDOT TRIP GRANT	3,364	98,410	-	-	-	-	98,410
Grant	30554200	STATE GRANT LINEAR TRL	190,000	-	-	-	-	-	-
Grant	30557133	LIBRARY/MUSEUM GRANTS	-	-	-	-	-	-	-
Grant	30557233	RESTORE PARK GRANT	-	729,918	-	-	-	-	729,918
Grant	30557212	TDC 12.5% (includes Advanced Funding)	91,440	2,254,115	-	-	-	-	2,254,115
Grant	30557237	BOCC (TDC) BEACH ACQ GRANT	-	2,715,607	-	-	-	-	2,715,607
Grant	30555900	AMERICAN RESCUE PLAN	734,853	312,000	-	-	-	-	312,000
Grant	31557236	MORGANS KID PARK GRANT	-	26,000	-	-	-	-	26,000
Total Sources			\$ 3,921,176	\$ 48,940,020	\$ 4,399,240	\$ 2,718,810	\$ 1,775,740	\$ 1,902,660	\$ 59,736,470
			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

		FY 2024 Adopted Budget	5-Year Funded Capital Plan Amount	Additional Funds Needed
Council Objectives				
1.1	Work with Stakeholders to pursue a Destin City Center	\$ 50,000	\$ 50,000	
1.2	Public waterfront acquisition initiative	14,069,622	14,069,622	5,100,000
1.3	Underground utilities	16,000,885	16,000,885	
1.4	Stahlman/US 98 pedestrian and vehicle Improvements in cooperation with FDOT	-	-	
1.5	Pedestrian access concepts under the Marler Bridge	-	-	
1.6	Two-lane Crosstown Connector	9,003,151	9,003,151	4,550,000
1.7	Improve parking, explore options (parking garage, surface parking)	525,000	600,000	
1.8	Annexation of unincorporated enclaves	-	-	
1.9	Morgan Sports Center and Dalton Threadgill Park Master Plan for renovations	-	-	
1.10	Support for regional Transit and Ferry systems	-	-	
1.11	City Marina (Phase 1 Feasibility Study)	50,000	50,000	
1.12	Support Beach Re-nourishment, planning, scheduling in partnership with the County/State	-	-	
1.13	Support regional workforce housing initiatives	-	-	
Management Objectives		-	-	
2.1-2.11	These are management-related, not capital project related	-	-	
Management in Progress (capital projects only listed below)		-	-	
3.1	Memorialize institutional knowledge			
3.2	Plan for renewal and replacement of city facilities and infrastructure	1,919,302	4,980,152	15,000,000
3.3	Monitor and Manage current grant and funding awards	-	-	
3.4	Find and secure new funding opportunities for city services and city projects OPR:GPC	-	-	
3.5	Complete land development code revisions	-	-	
3.7	Implement a pavement management program	2,537,780	6,878,380	
3.9	Improve sidewalks (wider, more walkable)	-	-	

		FY 2024 Adopted Budget	5-Year Funded Capital Plan Amount	Additional Funds Needed
Major Projects		-	-	
4.1	Implement and Manage COMPASS software	-	-	
4.2	Harbor Capacity Study	-	-	
4.3	Impact Fee Study	-	-	
4.4	Building Permit Fee Study	-	-	200,000
4.5	Develop and Implement the Mobility Plan and associated Fees	-	-	
4.6	Update Business Tax Receipts (BTR) Fee Schedule and processes	-	-	
4.7	Research Stormwater Utility options and Funding	-	-	
4.8	Construct Capt Royal Melvin Heritage Park	-	-	
4.9	FDOT Median Improvement project	-	-	
4.10	Norriego Point Park Improvements Phase III - Recreation Components	-	-	340,000
4.11	Renovate Clement Taylor Park (Pending Funding)	1,596,180	1,596,180	
4.12	Redevelop Joe's Bayou Recreation Area	-	-	
4.13	Continuity of streetlights/ Conversion to LEDS (In Progress)	-	-	
4.14	Implement prioritized stormwater improvements based on the Stormwater Master Plan	972,000	972,000	
4.15	Linear Park (in partnership with FPL) secure additional funding, complete design, secure required easements, construct trail	-	1,000,000	
4.16	Pickleball Courts: Secure additional Funding, acquire land, complete design and construct	350,000	350,000	56,000
TOTAL for items on the Strategic Plan		\$ 47,073,920	\$ 55,550,370	\$ 25,246,000
TOTAL 5-Year CAPITAL BUDGET		\$ 59,736,470		
% FOR STRATEGIC PLAN		93%		

		FY 2024 Adopted Budget	5-Year Funded Capital Plan Amount	Additional Funds Needed
NOT ON COUNCIL OBJECTIVE LIST:				
5.1	Upgrades to Morgan Sport Center (Bathrooms; LED lighting; Artificial Infields; Field Lining Technology)	805,000	1,505,000	
5.2	Dredge Harbor Channel	110,100	110,100	750,000
5.3	Upgrade/Remodel and expand Library	190,000	190,000	
5.4	Code Enforcement New Equipment	76,000	96,000	
5.5	Building Inspector New Equipment	40,000	40,000	
5.6	Hurricane Response (first 30 days; Debris Removal)	100,000	100,000	
5.7	Public Works Safety Committee - Intersection and Crossing Safety	100,000	500,000	
xxx	Other small projects	445,000	1,645,000	
	107 Study (Harbor)	-	-	1,500,000
	Upgrade/Remodel and expand Community Center	-	-	15,000,000
	North sidewalk of Mountan Drive	-	-	900,000
	Beach Circle culv Construction	-	-	125,000
	500 Osceola Dr culv Construction	-	-	125,000
	Crystal Beach one way study	-	-	12,755
	MMTD Master streetlighting study	-	-	150,000
	Traffic Calming measures	-	-	60,000
	Pine street extension - Design Only	-	-	150,000
	Design of park elements at Crosstown Road	-	-	150,000
	Stormwater - Replace piping; Re-establish Swales	-	-	150,000
	Mattie Kelly Naturwalk Outfall			1,200,000
	Other projects on Unfunded Detail List	-	-	12,778,525
TOTAL for additional projects not on Plan		\$ 1,866,100	\$ 4,186,100	\$ 33,051,280
<i>TOTAL for all projects</i>		<i>\$ 48,940,020</i>	<i>\$ 59,736,470</i>	<i>\$ 58,297,280</i>

FY 2024 ADOPTED CAPITAL BUDGET
by Governmental Activity

General Government

CENTR	City Center Feasibility Study	50,000
IT003	Other Hardware/Software Replacements	170,000
RR051	General Government	155,000
RRV51	Vehicles	23,000
Subtotal		398,000

Public Safety

CE002	Code Enforcement Equipment	30,000
CEVEH	New Code Enforcement Vehicles	46,000
BDVEH	New Inspector Vehicles	40,000
HURRIC	Hurricane Response	100,000
RR052	Public Safety	230,380
RRV11	Vehicles for Bldg Inspectors	76,000
RRV52	Vehicles for Public Safety (Code)	-
Subtotal		522,380

Physical Environment

ARP	Stormwater Infrastructure Projects	312,000
DREDG	Dredge Waterway Channels	110,100
RR053	Physical Environment (Stormwater, Cemetery)	75,000
SW56	Mattie Kelly Outfall at Joe's Bayou	175,000
SW57	CTP Stormwater Mitigation	60,000
SW58	Chickasaw Ct Stormwater Remediation	600,000
UNDER	Undergrounding	16,000,885
Subtotal		17,332,985

Human Services

RR056	Human Services (Food4Thought Bldg)	-
Subtotal		-

Transportation

EN615	Cross-Town Connector	9,003,151
RR054	Roads, Sidewalks, Street Lighting (Gas Tax 1)	2,537,780
RRV54	Vehicles for Public Works	365,000
TR619	Sibert-Zerbe Parking Lot Consolidation	525,000
TRSAF	Intersection Safety	100,000
Subtotal		12,530,931

Economic Development

CRT17	Destin Multi-Use Trail	-
HRB1	1 Harbor Blvd	9,100,000
CRH60	Pedestrian Pathway under Marler Bridge	-

CRT64	Town Center CRA Wayfinding Plan Signage	-
CRH64	Harbor CRA Wayfinding Plan Signage	-
Subtotal		9,100,000

Culture & Recreation

CM001	Beach Acquisition	4,969,622
LB002	Library Impact Fee Projects	190,000
MARIN	City Marina	50,000
RC124	Morgan's Children's Park Playground Structure	100,000
RC125	Buck Destin Restrooms	100,000
RC127	Pickleball Court	350,000
RC128	Morgan's Bathrooms/Storage/Fieldhouse	250,000
RC129	Morgan - Field Lighting (LED)	255,000
RC130	Morgan - Artificial Infields	200,000
RC131	Morgan - Field Lining Robot	-
RC216	Clement Taylor Park Renovations	1,596,180
RR571	Library	127,500
RR572	Parks and Recreation	749,922
RR573	Other Facilities (i.e. Museum)	4,500
RRV57	Vehicles for Parks & Recreation	113,000
Subtotal		9,055,724

GRAND TOTAL	48,940,020
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CITY OF DESTIN



AGENDA ITEM

COUNCIL MEETING DATE: March 18, 2024

TYPE OF AGENDA ITEM: City Manager Report

AGENDA OUTLINE NUMBER: 4.G.

TO: City Council

THRU: Louis Zunguze, Interim City Manager
Kimberly Kopp, City Attorney

FROM: Krystal Strickland, Finance Director

DATE: March 8, 2024

SUBJECT: TDC Monthly Report - **Informational Only**

I. BACKGROUND: In August 2023, Council requested a monthly update of collections of the Tourist Development Tax.

Attached is the latest available report.

II. DISCUSSION: This report created by Okaloosa County is informational only.

- A. Link to Strategic Goals / Objectives:**
- B. Effect on Budget (EOB):**
- C. Level of Service (LOS):**
- D. Legislative Sponsor:**

III. CONCLUSION:

IV. RECOMMENDED MOTION:

Attachments:

1. TDT Collection Reports 02 2024

Okaloosa County Tourist Development Tax by Collection Period

Total Collections

*1% increase as of Feb 23 Collections (Jan 23 Reporting Period)

Month	FY23	FY24	% (+/-)
October	3,589,406.50	3,276,277.33	-8.72%
November	2,621,154.46	2,981,714.82	13.76%
December	1,089,937.11	1,295,378.95	18.85%
January	931,847.14	965,864.62	3.65%
February	999,193.36	992,358.91	-0.68%
March	1,314,722.67		
April	3,182,995.16		
May	3,945,677.01		
June	4,371,375.99		
July	7,444,227.38		
August	9,061,643.07		
September	4,232,351.93		
Total	42,784,531.78	9,511,594.63	26.85%

Current District Collections (6%)

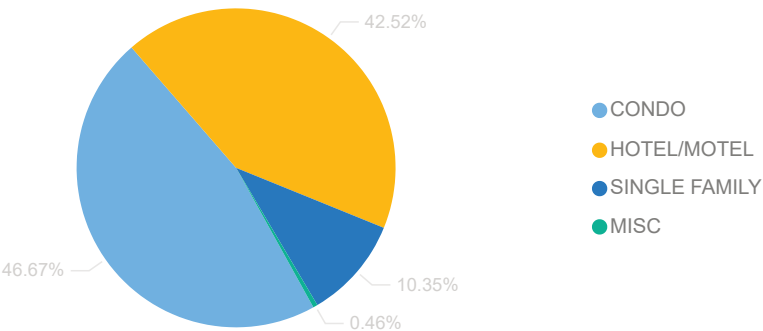
Month	FY19	FY20	FY21	FY22	FY23	FY24	% (+/-)
October	1,593,007.19	1,884,690.82	2,221,230.43	2,913,700.21	3,457,361.72	3,104,434.54	-10.21%
November	1,309,682.33	1,209,246.44	2,027,742.10	2,177,346.70	2,490,555.01	2,817,644.95	13.13%
December	828,040.56	608,271.78	826,108.63	1,074,763.79	991,384.32	1,123,537.23	13.33%
January	541,907.43	552,130.36	674,430.00	1,064,654.14	825,186.78	848,975.18	2.88%
February	591,499.87	698,331.50	810,277.30	556,796.53	887,575.40	865,902.01	-2.44%
March	929,605.46	959,719.31	1,030,939.09	1,039,092.04	1,170,079.04		
April	1,638,833.47	768,179.65	2,533,631.54	2,526,284.64	2,969,367.89		
May	1,634,939.01	232,848.94	3,027,344.52	3,245,110.93	3,734,841.53		
June	2,775,474.02	1,490,641.58	3,836,461.91	3,712,196.33	4,144,035.69		
July	5,378,932.05	3,619,497.04	5,311,973.12	6,049,957.98	7,141,099.78		
August	3,676,259.33	4,019,404.74	5,971,521.24	7,513,491.71	8,732,720.80		
September	2,237,069.94	2,639,207.26	4,063,463.37	3,796,845.88	4,035,845.16		
Total	23,135,250.66	18,682,169.42	32,335,123.25	35,670,240.88	40,580,053.12	8,760,493.91	3.34%

Expanded District Collections (5%)

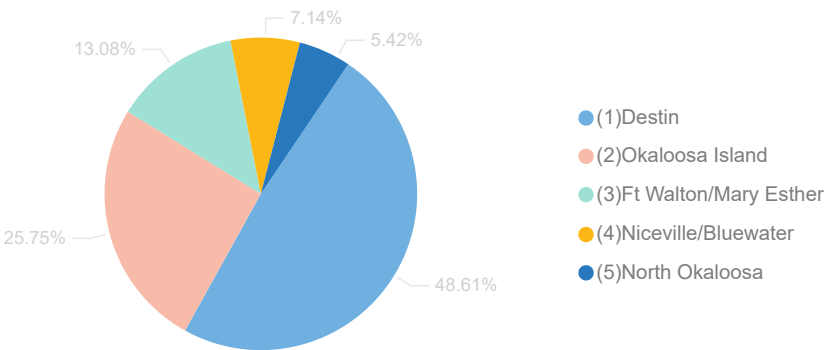
Month	FY22	FY23	FY24
October	0.00	132,044.78	171,842.79
November	0.00	130,599.45	164,069.87
December	0.00	98,552.79	171,841.72
January	0.00	106,660.36	116,889.44
February	0.00	111,617.96	126,456.90
March	0.00	144,643.63	
April	165,941.54	213,627.27	
May	163,604.36	210,835.48	
June	187,239.51	227,340.30	
July	247,245.40	303,127.60	
August	280,103.11	328,922.27	
September	161,001.85	196,506.77	
Total	1,205,135.77	2,204,478.66	751,100.72

Reporting Period is always the month before the Collection Period

Rental Type



Area



Rental Type	Current District	Expanded District	Total
CONDO	7,407	19	7,426
HOTEL/MOTEL	4,559	2,207	6,766
SINGLE FAMILY	1,396	250	1,646
MISC	42	31	73
Total	13,404	2,507	15,911

District	Current District	Expanded District	Total
(1)Destin	7,735		7,735
(2)Okaloosa Island	4,097		4,097
(3)Ft Walton/Mary Esther	1,572	509	2,081
(4)Niceville/Bluewater		1,136	1,136
(5)North Okaloosa		862	862
Total	13,404	2,507	15,911

Number of Units Reporting

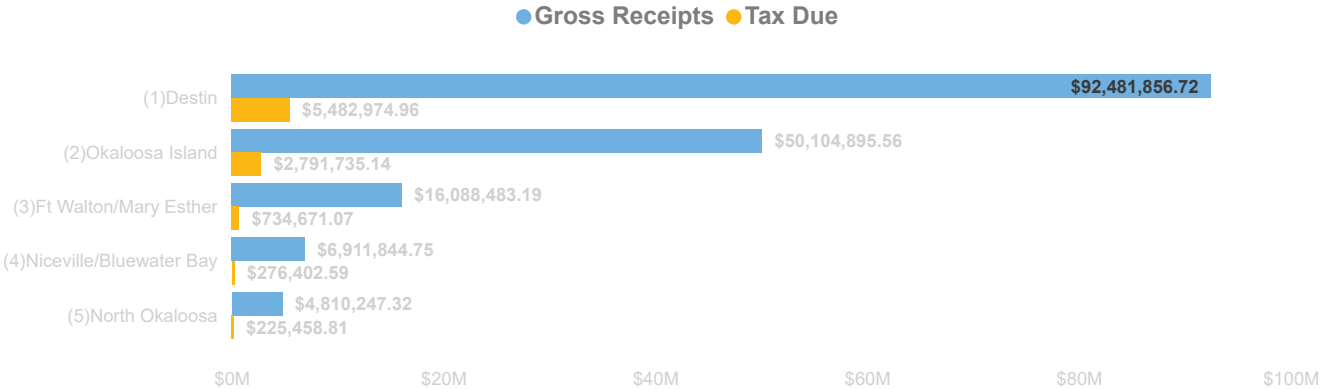
Collection Period FY2024
Gross Receipts & Tax Due by Rental Type

Gross Receipts

Rental Type	October	November	December	January	February	Total
CONDO	\$30.33M	\$27.53M	\$7.93M	\$5.57M	\$8.04M	\$79.39M
HOTEL/MOTEL	\$17.89M	\$16.28M	\$9.77M	\$7.67M	\$7.67M	\$59.26M
SINGLE FAMILY	\$9.47M	\$8.24M	\$4.81M	\$4.07M	\$2.26M	\$28.85M
MISC	\$0.57M	\$0.47M	\$1.19M	\$0.30M	\$0.35M	\$2.89M
Total	\$58.26M	\$52.52M	\$23.70M	\$17.61M	\$18.32M	\$170.40M

Tax Due

Rental Type	October	November	December	January	February	Total
CONDO	\$1.80M	\$1.64M	\$0.47M	\$0.33M	\$0.48M	\$4.73M
HOTEL/MOTEL	\$0.89M	\$0.83M	\$0.48M	\$0.38M	\$0.36M	\$2.96M
SINGLE FAMILY	\$0.55M	\$0.48M	\$0.28M	\$0.24M	\$0.13M	\$1.68M
MISC	\$0.03M	\$0.03M	\$0.06M	\$0.01M	\$0.02M	\$0.15M
Total	\$3.28M	\$2.99M	\$1.29M	\$0.97M	\$0.99M	\$9.51M



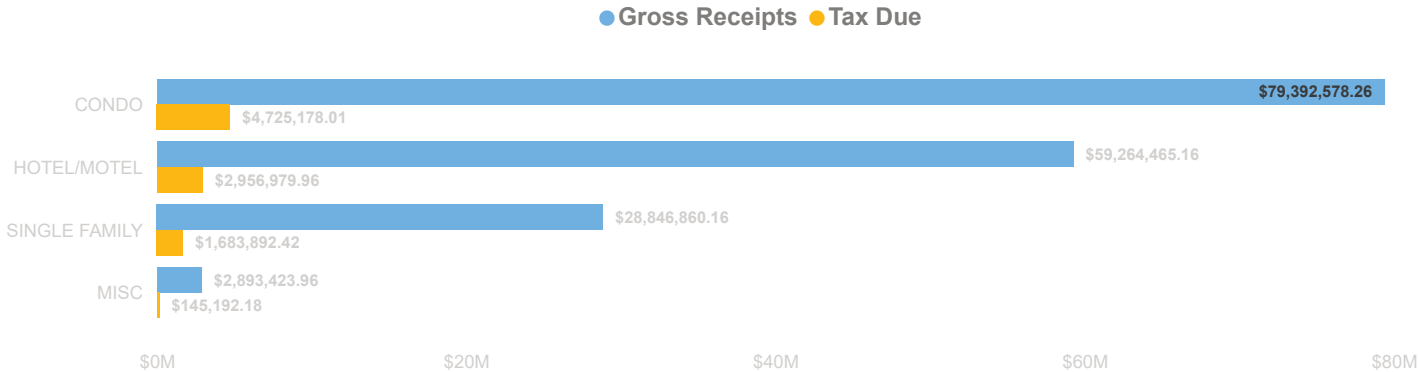
Collection Period FY2024
Gross Receipts & Tax Due by District

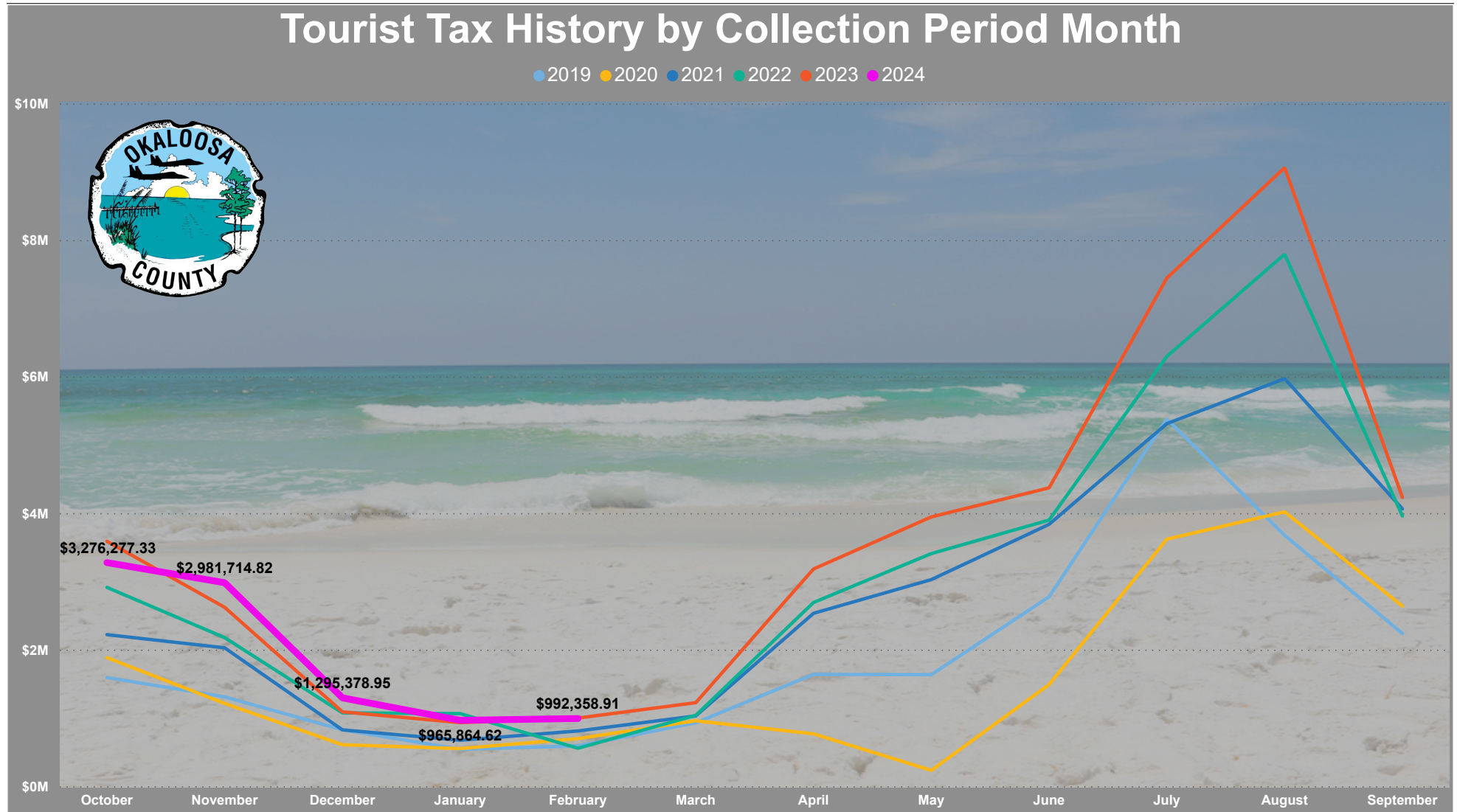
Gross Receipts

District	October	November	December	January	February	Total
(1)Destin	\$32.43M	\$29.11M	\$12.30M	\$9.51M	\$9.13M	\$92.48M
(2)Okaloosa Island	\$18.73M	\$16.87M	\$5.79M	\$4.01M	\$4.70M	\$50.10M
(3)Ft Walton/Mary Esther	\$4.27M	\$4.01M	\$3.44M	\$2.12M	\$2.25M	\$16.09M
(4)Niceville/Bluewater Bay	\$1.71M	\$1.58M	\$1.22M	\$1.12M	\$1.28M	\$6.91M
(5)North Okaloosa	\$1.11M	\$0.96M	\$0.94M	\$0.86M	\$0.95M	\$4.81M
Total	\$58.26M	\$52.52M	\$23.70M	\$17.61M	\$18.32M	\$170.40M

Tax Due

District	October	November	December	January	February	Total
(1)Destin	\$1.92M	\$1.73M	\$0.73M	\$0.56M	\$0.54M	\$5.48M
(2)Okaloosa Island	\$1.04M	\$0.96M	\$0.31M	\$0.22M	\$0.26M	\$2.79M
(3)Ft Walton/Mary Esther	\$0.19M	\$0.18M	\$0.16M	\$0.10M	\$0.10M	\$0.73M
(4)Niceville/Bluewater Bay	\$0.07M	\$0.06M	\$0.05M	\$0.05M	\$0.05M	\$0.28M
(5)North Okaloosa	\$0.05M	\$0.05M	\$0.04M	\$0.04M	\$0.05M	\$0.23M
Total	\$3.28M	\$2.99M	\$1.29M	\$0.97M	\$0.99M	\$9.51M





CITY OF DESTIN



AGENDA ITEM

COUNCIL MEETING DATE: March 18, 2024

TYPE OF AGENDA ITEM: Consent Agenda

AGENDA OUTLINE NUMBER: 4.H.

TO: City Council

THRU:

FROM:

DATE:

SUBJECT: Announcements

I. BACKGROUND:

II. DISCUSSION:

- A. Link to Strategic Goals / Objectives:
- B. Effect on Budget (EOB):
- C. Level of Service (LOS):
- D. Legislative Sponsor:

III. CONCLUSION:

IV. RECOMMENDED MOTION:

Attachments:

None